



BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Focus on Energy Administrator Selection

9501-FE-116

**ORDER APPROVING THE CONTRACT FOR SERVICES OF THE
FOCUS ON ENERGY ADMINISTRATOR**

Introduction

Earlier this year, the Commission approved the selection of Shaw Environmental and Infrastructure, Inc. (Shaw), as program administrator for the statewide energy efficiency and renewable resource programs, collectively known as Focus on Energy (Focus). Order, docket 9501-FE-115 (March 22, 2011). Wisconsin Stat. § 196.374(3)(c)1. requires the Commission to approve any contract between the utilities and the program administrator. The energy utilities created a legal entity, the Statewide Energy Efficiency and Renewable Administration (SEERA), to fulfill their Focus related obligations, including the negotiation of agreements with the program administrator. After Shaw's selection as program administrator, Shaw and SEERA negotiated a contract for services and submitted the proposed agreement for Commission approval on April 29, 2011.

Discussion

Pursuant to Wis. Stat. § 196.374 (3)(f), the Commission promulgated rules establishing procedures and criteria for Commission review of contracts between the utilities and the administrator of Focus. Wisconsin Admin. Code § PSC 137.04(1)(b) provides:

(b) The contract shall include the following:

1. A requirement that the statewide programs shall comply with the policies and goals issued by the commission.
2. A requirement that the statewide programs shall comply with s. PSC 137.05.
3. Performance indicators and minimum performance standards.
4. Any other provision the commission may require.

The agreement as proposed meets the first three requirements. Section Four of the proposed agreement directly obligates Shaw to follow Commission policies. Section Four provides, in part:

The *Program Administrator* shall perform the *Work* consistent with the requirements established in Attachments A, B and C hereto, any applicable professional standards, and to the reasonable satisfaction of the *Contract Administrator* and the *Commission* as detailed in Attachments D, E and F. Unless otherwise directed or permitted by the *Contract Administrator* and the *Commission*, the *Program Administrator* shall perform the required *Work* consistent with Attachments A, B and C and in compliance with the goals, purposes and priorities of Wis. Stat. § 196.374(2)(a)2. and (3)(b)1.

Section Four further requires Shaw to “comply with Wis. Admin. Code § PSC 137.05.”

This rule establishes the minimum requirements of statewide Focus programs. The incorporated attachments also impose detailed obligations upon Shaw, which are derived, in large part, from Wis. Admin. Code § PSC 137.05, Wis. Stat. § 196.374, and the Commission’s Quadrennial Plan for Focus. Order, docket 5-GF-191 (November 10, 2010). Every attachment includes a variety of terms that spell out performance indicators and minimum performance standards. In addition, Attachment E specifically identifies the “Targets and Goals” of Focus. The proposed agreement also recognizes the Commission’s continuing jurisdiction and oversight over Focus.

The proposed agreement allows SEERA to terminate the agreement should funding for Focus be eliminated or reduced. The agreement also allows the parties to make written modifications, subject to Commission approval. The Legislature’s Joint Finance Committee

recently amended the proposed 2011-2013 state budget to return funding for Focus programs to 1.2 percent of utilities' annual operating revenues effective January 1, 2012. If the Legislature modifies Focus funding in the state budget, it is reasonable to require that SEERA attempt to amend the agreement as necessary before exercising its right of termination. The Commission therefore conditions its approval of this agreement upon SEERA and Shaw submitting proposed modifications for Commission approval, if Focus funding is modified, within 30 days of the later of the passage of the 2011-2013 state budget or the completion of the re-opener, if any, of the Commission's Quadrennial Plan for Focus.

Approval of the contract is also contingent on the parties accepting minor amendments to the contract. A copy of the amended contract is attached as Appendix A. The amendments clarify certain provisions of the Agreement and make additional non-substantive modifications to correct the section numbering and use certain terms consistently.

Conclusions of Law

1. The Commission has jurisdiction to review and approve the contract for services between the utilities and the Focus program administrator under Wis. Stat. § 196.374(3)(c)1.
2. The contract, as amended and subject to the conditions discussed above, satisfies Wis. Admin. Code § 137.04.
3. The Commission has the authority to set the effective date of this Order under Wis. Stat. § 196.40.

Order

1. The Commission approves an amended contract for services between the utilities and the Focus program administrator, as shown in Appendix A and subject to the condition described below.

2. Approval of the agreement is conditional upon the parties submitting an amended agreement, if the Legislature reduces Focus funding, within 30 days of the later of the passage of the 2011-2013 state budget or the completion of the re-opener, if any, of the Commission's Quadrennial Plan for Focus.

3. This Order takes effect on the day of mailing.

4. Jurisdiction is retained.

Dated at Madison, Wisconsin, May 9, 2011

By the Commission:



Sandra J. Paske
Secretary to the Commission

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See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN
610 North Whitney Way
P.O. Box 7854
Madison, Wisconsin 53707-7854

**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of mailing of this decision, as provided in Wis. Stat. § 227.49. The mailing date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of mailing of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of mailing of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission mailed its original decision.¹ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: December 17, 2008

¹ See *State v. Currier*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.

Contract for Services Between
The Statewide Energy Efficiency and Renewables Administration
and
Shaw Environmental & Infrastructure, Inc.

Contract Number 9501-FE-116
May 9, 2011 – December 31, 2014

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1. Parties

This Contract for Services is entered into by and between the Statewide Energy Efficiency and Renewables Administration, Inc. a non-stock corporation organized under Wisconsin law, hereinafter called the *Contract Administrator*, and Shaw Environmental & Infrastructure, Inc., a corporation organized under Louisiana law hereinafter called the *Program Administrator*, for the contract period from the Effective Date (as defined below) through December 31, 2014. In consideration of the mutual promises and *Agreements* hereinafter set forth, the parties agree as follows:

2. Definitions

When capitalized and italicized, whether in singular or plural, the following words and phrases shall have the following meanings in construing this *Agreement*.

- A. *Agreement* means this Contract for Services and all Attachments hereto, as all may be amended from time to time.
- B. *Chapter PSC 137* means Wis. Admin. Code ch. PSC 137.
- C. *Commission* means the Public Service Commission of Wisconsin.
- D. *Compliance Agent* means the entity that performs audits to ensure that contractors and subcontractors comply with policy and procedures created for the *Focus on Energy* program as outlined in the *Policy and Procedures Manual*.
- E. *Confidential Information* means (1) program participant-specific information and databases comprised of such information and (2) any information provided or made available by a party that (a) is marked as proprietary or confidential; (b) is orally identified as being confidential, followed by written confirmation of confidentiality within 30 days of such verbal identification; or (c) the receiving party knew or should have known, under the circumstances, was considered confidential or proprietary by the disclosing party.
- F. *Eligible Costs* means those costs which can be audited and which are directly attributable to contracted activities and identified and approved in the *Policy and Procedures Manual*.
- G. *Effective Date* means the date on which this *Agreement* is signed by an authorized representative of each party.
- H. *Environmental and Economic Research and Development Program* means the initiatives for research and development regarding the environmental and economic impacts of energy use in this state, under Wis. Stat. s. 196.374 (2) (a) 2.d.
- I. *Evaluator* means the independent third party entity contracted by the *Commission* to evaluate the performance of all programs administered by the *Program Administrator* pursuant to this *Agreement*.

- J.** *Fiscal Agent* means the entity, that in a fiduciary capacity, receives funds, distributes funds and accounts for statewide energy efficiency and renewable resource programs under Wis. Stat. s. 196.374 (2) (a).
- K.** *Focus on Energy* means the statewide energy efficiency and renewable energy programs specified under Wis. Stat. s. 196.374 (2) (a).
- L.** *Mass Market Portfolio* means the programs established to deliver energy efficiency and renewable incentives to residential and small commercial customers.
- M.** *Policy and Procedures Manual* means the manual developed by the *Fiscal Agent* and the *Compliance Agent* which provides the rules, regulations and policies of the *Focus on Energy* program to be followed by the *Program Administrator* and their subcontractors.
- N.** *Program Income* means gross receipts, received by the *Program Administrator* which is directly generated from the *Work* detailed in this *Agreement*, including but not limited to repayments of funds that had been previously provided to eligible beneficiaries; interest earned on any or all *Agreement* funds obtained from the *Fiscal Agent*; proceeds derived after the *Agreement* close out from the disposition of real property acquired with any or all funds provided under this *Agreement*; and interest earned on *Program Income* pending its disposition.
- O.** *Research Portfolio* means the programs established to address the research needs of the *Focus on Energy* programs, including the *Environmental and Economic Research and Development Program*.
- P.** *Targeted Market Portfolio* means the programs established to deliver energy efficiency and renewable incentives to commercial, agricultural, and government customers.
- Q.** *Wisconsin Public Service Corporation Stipulation* means the *Commission's* Order issued on August 28, 2009 (reference number 119358) regarding the Energy Efficiency Stipulation between Wisconsin Public Service Corporation and the Citizens Utility Board under docket 6690-UR-119.
- R.** *Work* means the functions, duties, and activities set forth in the Scope of *Work* identified in Attachments A, B and C.
- 3. Scope of Work**
- The *Program Administrator* shall furnish all necessary personnel, office space, equipment, materials, services, licenses, transportation, and other necessary resources (except as is otherwise provided herein) to accomplish the Scope of *Work* as set forth in Attachment A – *Targeted Market Portfolio*, Attachment B – *Mass Market Portfolio* and Attachment C – *Research Portfolio*. Changes to the *Work* may be made only by written amendment to Attachment A, B or C, signed by both the *Contract Administrator* and the *Program Administrator* and approved by the *Commission*. The *Program Administrator* has established

and will maintain, during the term of this *Agreement*, an office in the Madison, Wisconsin area provided a lease can be maintained on commercially reasonable terms.

4. Standards of Performance

The *Program Administrator* shall perform the *Work* consistent with the requirements established in Attachments A, B and C hereto, any applicable professional standards, and to the reasonable satisfaction of the *Contract Administrator* and the *Commission* as detailed in Attachments D, E and F. Unless otherwise directed or permitted by the *Contract Administrator* and the *Commission*, the *Program Administrator* shall perform the required *Work* consistent with Attachments A, B and C and in compliance with the goals, purposes and priorities of Wis.Stat. § 196.374. (2) (a) 2. and (3) (b) 1.

For the entire term of this *Agreement*, the *Program Administrator* shall coordinate its performance of the *Work* across the Targeted Market and Mass Market Programs. The statewide programs administered by the *Program Administrator* shall comply with Wis. Admin. Code § PSC 137.05.

Program Administrator shall cause all arrangements and *Agreements* with sub-contractors and agents utilized by *Program Administrator* pursuant to this *Agreement* to include protections substantially the same as those afforded to *Contract Administrator* and the *Commission*, including without limitation provisions related to confidentiality of information.

5. Funds Payable to the *Program Administrator*

Professional Fee. In consideration of the services to be performed by the *Program Administrator* the *Commission* shall authorize the *Program Administrator* to receive payments for satisfactory performance of the *Work* in accordance with the payment provisions specified in Attachment D hereto.

Program Funds. The *Program Administrator* shall administer the funds that utilities are required to collect from their customers pursuant to Wis. Stat. § 196.374(3)(b)2. The estimated amount of these funds for each year of the term of this *Agreement*, and the anticipated allocation of those funds to programs, are set forth in Attachment D. The *Program Administrator* shall not expend or authorize the expenditure of any amount in excess of the actual funds the utilities are required to collect, except as authorized in writing by the *Contract Administrator* and the *Commission*. In the event that the *Program Administrator* spends in one year more or less funds than the utilities were required to collect in that year, the excess or shortfall shall be trued up in the following year.

Notwithstanding any of its other provisions, this *Agreement* shall impose no liabilities or obligations on the *Contract Administrator* or its members or affiliates to contribute any amounts or make any payments for *Focus on Energy* programs that are in excess of the requirements currently set forth in Wis. Stat. § 196.374(3)(b)2 or as modified by law. *Program Administrator* acknowledges that it bears the risk of curtailment, suspension or reduction in *Focus on Energy* funding, and that it shall be responsible, in its discretion, for including substantially similar provisions in its *Agreements* with third parties related to this *Agreement*.

Any curtailment, suspension or reduction in the *Work* will not affect payment for *Work* performed prior to the notice of curtailment, suspension or reduction in the *Work*.

6. Term of Agreement

The initial Term of this *Agreement* shall begin on the Effective Date and end on December 31, 2014, unless amended or terminated earlier in accordance with the provisions of this *Agreement*.

The *Contract Administrator*, in its discretion and subject to *Commission* approval, may propose to extend this *Agreement* for up to forty-eight (48) additional months after the end of the initial term by giving written notice thereof to the *Program Administrator* by July 31, 2014, which notice shall specify the length of the proposed extension and the proposed compensation for the *Work* to be performed during the extended term. The *Program Administrator* shall provide a written response to the *Contract Administrator*'s proposal to extend the term of this *Agreement*, either by accepting or rejecting the proposal, or accepting subject to *Agreement* on compensation by September 15, 2014. The *Program Administrator*'s failure to respond by September 15, 2014, shall be deemed a rejection of the proposal to extend the *Agreement*'s term. If the *Program Administrator* accepts the proposal subject to *Agreement* on compensation, compensation for the *Work* to be provided pursuant to any extension of the term of this *Agreement* shall be agreed upon in writing between the *Contract Administrator* and the *Program Administrator* by October 15, 2014 pending *Commission* approval, or the proposal shall be deemed rejected.

If the *Contract Administrator* or the *Program Administrator* choose not to extend this *Agreement* per the above paragraph or the *Contract Administrator* or the *Program Administrator* are unable to agree in writing as to the compensation for such an extension by October 15, 2014, or the *Commission* does not approve the extension by December 1, 2014, then this *Agreement* shall expire on December 31, 2014.

7. Prior Approvals

Neither this *Agreement*, nor any amendment to it, is binding on either party unless it has been approved by the *Commission*.

8. Amendment

No changes, modifications, amendments or extensions in the terms and conditions of this *Agreement* shall be effective unless reduced to writing and signed by the duly authorized representatives of the *Contract Administrator* and the *Program Administrator* and approved by the *Commission*.

9. Termination of Agreement

A. Termination at Will

The *Contract Administrator* may, subject to *Commission* approval, terminate this *Agreement* at any time upon sixty (60) days written notice to the *Program Administrator*. Upon termination, the *Contract Administrator*'s liability shall be limited to the actual costs incurred in carrying out the project as of the date of the termination plus any termination

expenses. Termination expenses for which reimbursement may be appropriate are those expenses having prior written approval of the *Contract Administrator*, subject to *Commission* approval, and may include reasonable and necessary expenses relating to concluding outstanding obligations under the *Agreement* such as completing administrative duties, informing and coordinating with subcontractors, compiling and transferring incentive check run data and expense information to the *Fiscal Agent*, working with *Commission* staff to facilitate transition of program obligations, information, intellectual property and proprietary material, and equipment and materials purchased with funds provided under this *Agreement*. Reimbursable termination expenses shall not include legal fees, costs or expenses incurred in disputing or litigating any claims arising from or relating to alleged breach of the *Agreement*. The *Program Administrator* may request, in writing, to terminate this *Agreement*. At its discretion, the *Contract Administrator* may approve the termination request. If the termination request is approved, the *Contract Administrator* and the *Program Administrator* shall mutually agree upon the termination date. Termination and the effective date of termination shall be subject to *Commission* approval.

B. Termination for Cause

The *Contract Administrator* may, subject to *Commission* approval, terminate this *Agreement* if, through any cause, the *Program Administrator* fails to fulfill its obligations hereunder in a timely and proper manner, or violates any of the provisions of this *Agreement*. The *Contract Administrator* shall give the *Program Administrator* thirty (30) days written notice of its intent to terminate under this provision (provided that if the basis for the notice is a material or repeated failure or breach, *Contract Administrator* may terminate upon written notice). The *Contract Administrator* shall provide written notice on grounds for proposed termination and grant the *Program Administrator* a reasonable opportunity to respond which shall not be less than five (5) business days (provided that if the proposed termination is based on a material or repeated failure or breach, the *Contract Administrator* shall not be required to allow a right to respond). Upon termination, the *Contract Administrator's* liability shall be limited to any undisputed costs the *Program Administrator* has incurred in carrying out the project as of the date of termination.

C. Termination- Inadequate Appropriations

If the Wisconsin legislature enacts new legislation that requires a change or cancellation of the *Focus on Energy* program, the *Contract Administrator*, subject to *Commission* approval, shall have the right to terminate this *Agreement* upon sixty (60) days written notice. Upon a change or cancellation of the *Focus on Energy* program, the *Contract Administrator's* liability for the *Agreement* shall be limited to the actual costs incurred in carrying out the *Agreement* as of the date of termination, plus any reasonable termination expenses. Termination expenses for which reimbursement may be appropriate are those expenses having prior written approval of the *Contract Administrator*, subject to *Commission* approval, and may include reasonable and necessary expenses relating to concluding outstanding obligations under the *Agreement* such as completing administrative duties, informing and coordinating with subcontractors, compiling and transferring incentive check run data and expense information to the *Fiscal Agent*, working with *Commission* staff to facilitate transition of program obligations, information,

intellectual property and proprietary material, and equipment and materials purchased with funds provided under this *Agreement*. Reimbursable termination expenses shall not include legal fees, costs or expenses incurred in disputing or litigating any claims arising from or relating to alleged breach of the *Agreement*.

D. Responsibility of Parties Upon Expiration or Termination of *Agreement*

Upon expiration or termination of this *Agreement*, the *Program Administrator* shall provide reasonable transition assistance as requested by the *Contract Administrator* and the *Commission* and any entity designated by the *Commission* to ensure that the *Program Administrator* functions are continuously carried out without interruption. In such an event, the *Program Administrator* agrees to use all reasonable efforts to mitigate its expenses and obligations hereunder. Transition assistance shall be performed in good faith and with a professional standard of conduct.

Upon expiration of the *Agreement*, the *Contract Administrator's* liability shall be limited to any undisputed costs the *Program Administrator* has incurred in carrying out the *Agreement* as of the date of expiration or any expenses having prior written approval of the *Contract Administrator*. The *Program Administrator* shall refund to the *Fiscal Agent* any payment made by the *Fiscal Agent* which exceeds actual costs incurred in carrying out the project as of the date of expiration.

10. Committed Customer Incentive Payments

On the expiration or termination date of the *Agreement*, the *Program Administrator* may have outstanding contracts for customer incentive payments. Subject to Section 5 hereof, the *Program Administrator* shall be relieved of those obligations which have been properly approved by the *Program Administrator* and agreed to by the *Contract Administrator*, and responsibility for them will be assigned to the new entity serving as the *Program Administrator*.

11. Notifications Required under this *Agreement*

Correspondence and transmittals of formal notifications, requests, reports or other documents concerning this *Agreement*, to be effective, shall be addressed to the respective person(s) as follows:

Commission	Carol Stemrich, Assistant Administrator Gas and Energy Division Public Service Commission of Wisconsin P.O. Box 7854 Madison, WI 53707-7854 608.266.8174 carol.stemrich@wisconsin.gov
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SEERA	Jean Derfus, Acting Chair, SEERA Xcel Energy 1414 W. Hamilton Ave., PO Box 8 Eau Claire, WI 54701
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715.737.5632
jean.a.derfus@xcelenergy.com

Shaw

William S. Haas, Project Manager
Shaw Environmental & Infrastructure, Inc.
8383 Greenway Blvd., Suite 600
Middleton, WI 53562
608.824.3116
william.haas@shawgrp.com

12. Reporting Requirements

Reporting Requirements are specified in the Scope of *Work*, Attachment A - *Targeted Market Portfolio*, Attachment B - *Mass Market Portfolio* and Attachment C – *Research Portfolio*.

13. Insurance

Program Administrator shall provide and maintain in full force and effect at no cost to *Contract Administrator* and *Commission* the following insurance coverage with limits as indicated (which may also be revised to reasonable amounts consistent with similar industry practice at the *Contract Administrator* and *Commission's* discretion from time to time) at all times during the term of this *Agreement*, and beyond, as required.

- A. *Program Administrator* shall maintain Worker's compensation and employer's liability insurance as required by law in the state in which *Work* is being performed as described below:
 - (1) The employers liability limits shall be \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury disease.
 - (2) The U.S. Longshore and Harbor Workers Compensation Act endorsement or applicable maritime endorsements shall be attached to the policy where the *Program Administrator* will conduct activities on or in close proximity to navigable waterways.
- B. *Program Administrator* shall maintain commercial general liability (CGL) insurance or its equivalent satisfactory to *Contract Administrator* and *Commission*) and, if necessary, commercial umbrella or excess insurance with a total limit of \$2,000,000 each occurrence, with a \$5,000,000 annual aggregate as described below. If such CGL insurance contains a general aggregate limit, it shall apply separately to this *Agreement*.
 - (1) CGL insurance shall be written on an occurrence form and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract

(including the tort liability of another assumed in a business contract).

- (2) The following specific paragraph:

Contract Administrator and *Commission* shall each be included as an **ADDITIONAL INSURED** using the current ISO endorsement or an equivalent form.

This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to *Contract Administrator* and *Commission*. There shall be no endorsement or modification of the insurance to make it excess over other available insurance; alternatively, if the insurance states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.

- C. *Program Administrator* shall maintain automobile liability insurance (or its equivalent satisfactory to *Contract Administrator* and *Commission*) and, if necessary, commercial umbrella or excess liability insurance with a combined single limit (or equivalent) of **\$2,000,000** each accident as described below:

- (1) Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos).

- (2) The following specific paragraph:

Contract Administrator and *Commission* shall each be included as an **ADDITIONAL INSURED** using the current ISO endorsement or an equivalent form as described in B. (2) above.

- (3) *Program Administrator's* insurance shall be primary with respect to *Contract Administrator* and *Commission's* insurance or self-insurance, and *Program Administrator's* policy shall not be written or endorsed contrary to this requirement.

- D. *Program Administrator* shall maintain professional liability insurance (or its equivalent satisfactory to *Contract Administrator* and *Commission*) limit (or equivalent) of **\$2,000,000** each occurrence.

- E. *Program Administrator* shall maintain crime and fidelity insurance (or its equivalent satisfactory to *Contract Administrator* and *Commission*) limit (or equivalent) of **\$15,000,000** each occurrence.

- F. *Program Administrator* waives the right of subrogation, and waives all rights against *Contract Administrator* and *Commission* and its agents, officers, directors and employees for recovery of damages.
- G. All insurance shall be placed and maintained with insurers authorized to do business in the state in which *Work* is being performed have an A.M. Best rating of A -, VII or better, (or equivalent satisfactory to *Contract Administrator* and *Commission*). *Program Administrator* agrees to furnish copies of any insurance policies for *Contract Administrator* and *Commission's* review if requested. Those policies may be redacted to prevent the disclosure of confidential information.

Program Administrator shall furnish the *Contract Administrator* and *Commission* with duly executed Certificates of Insurance certifying that such insurance has been provided and that the *Program Administrator* will give the *Contract Administrator* and *Commission* (thirty) 30 days prior written notice of any material change in, or cancellation of, such insurance coverage. Such certificate shall also specify the dates when such insurance commences and expires. Certificates should be delivered to the following address:

Jean Derfus, Acting Chair, SEERA
Xcel Energy
1414 W. Hamilton Ave., PO Box 8
Eau Claire, WI 54701

The *Program Administrator* agrees that such insurance shall be maintained throughout the entire term of this *Agreement*. New certificates shall be provided within two weeks of the renewal date of any expiring insurance coverage giving evidence of continuing coverage subject to *Contract Administrator* and *Commission's* withholding of any payments due *Program Administrator* until such certificates are received.

The failure of the *Contract Administrator* and *Commission* to obtain evidence of such insurance from the *Program Administrator* before permitting *Work* to commence or continue shall not be deemed to be a waiver by *Contract Administrator* and *Commission*, and the *Program Administrator* shall remain under continuing obligation to maintain the insurance coverage.

Insurance policies of *Program Administrator* shall be on an occurrence basis, except that Professional Liability may be on a claims-made basis. If any insurance is written on a "claims made" basis, the *Program Administrator* shall maintain the coverage for a minimum of five years after the termination of this *Agreement*. The *Contract Administrator* and *Commission* may require the *Program Administrator* to furnish copies of any "claims made" policies and to institute measures to guarantee further coverage for claims as contemplated by this *Agreement*.

No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the *Program Administrator* for the *Program Administrator's* operations. These are solely minimum amounts and they do not affect the rights of the *Contract Administrator* and the *Commission* to further indemnification.

RISK OF LOSS

Contract Administrator and *Commission* at no time assumes risk of loss for any personal property (such as, but not limited to: owned equipment, leased/rented/borrowed equipment, tools, employee tools and clothing) of Provider, its sub-providers, or their employees whether at *Contract Administrator* and *Commission's* site or not.

14. Legal Relations and Indemnification

The *Program Administrator* shall at all times comply with and observe all federal and state laws and published circulars, local laws, ordinances, rules and regulations which are in effect during the period of this *Agreement* and which in any manner affect the *Work* or the *Program Administrator's* performance of this *Agreement*.

The *Program Administrator* shall indemnify and hold harmless the *Contract Administrator* and the *Commission* and all of their respective officers, members, directors and employees (the "Indemnified Parties") from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the *Program Administrator*, or any of its agents or subcontractors, in performing *Work* under this *Agreement*.

The *Program Administrator* shall indemnify and hold harmless the Indemnified Parties from (i) all suits, actions or claims of any character brought for or on account of any obligations arising out of *Agreements* between the *Program Administrator* and its subcontractors to perform services or otherwise supply products or services, and (ii) any audit disallowances related to the allocation of administrative costs under this *Agreement*, irrespective of whether the audit is ordered by Federal or state agencies or by a court.

The *Program Administrator* shall expressly protect, indemnify, and hold harmless the Indemnified Parties from any and all claims, demands, suits, liability and expense by reason of injury to or death of any agent or employee of the *Program Administrator* or its subcontractors of any tier while performing *Work* under this *Agreement*, including claims, demands and actions founded upon or growing out of the claim or assertion that any Indemnified Party did not furnish or afford at such premises a safe place of *Work* or employment or requisite statutory safety in a public building, or were otherwise either solely or jointly negligent; the *Program Administrator* further agrees to perform the *Work* in accordance with applicable safety rules and agrees to indemnify and hold harmless the *Contract Administrator* and the *Commission*, their officers, agents, and employees from any civil penalties which may be assessed for violations of the Occupational Safety and Health Act of 1970 and any amendments thereto, or any standards rules or orders promulgated, or regulations prescribed pursuant thereto, where

such violations exist either solely or partially by reason of any acts or omissions of the *Program Administrator*, its officers, agents, or employees or its subcontractors of any tier.

The *Program Administrator* shall defend, indemnify and hold harmless the *Contract Administrator* and the *Commission* for any fraud, theft, stealing, diverting, embezzling, unlawful taking, unlawful distribution, computer fraud, forgery, voluntary parting, funds transfer fraud or misappropriation of funds by the *Program Administrator*, or its agents, employees, affiliates, and or subcontractors.

EXCEPT AS SET FORTH BELOW, UNDER NO CIRCUMSTANCES WILL THE *PROGRAM ADMINISTRATOR*, THE *CONTRACT ADMINISTRATOR* OR THE *COMMISSION* BE LIABLE TO THE OTHERS FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF USE, LOSS OF PROFITS, LOSS OF OPPORTUNITY, ETC. Notwithstanding the foregoing, this exclusion shall not be applicable to *Program Administrator* in the event of *Program Administrator's* negligence, willful misconduct, misappropriation of funds, or breach of confidentiality provisions set forth in this *Agreement*.

15. Conflict-of-Interest Provision

The *Program Administrator*, its employees and its subcontractor(s) may engage in business activities, other than those described directly below, as long as these activities do not create a conflict of interest with the performance of the *Work*. The *Program Administrator* also affirms that it, its employees and its subcontractor(s) shall promptly and fully inform the *Commission* of any business activities and/or relationships which any person, fully acquainted with the circumstances, could reasonably conclude might unfairly advantage the *Program Administrator*, employee or subcontractor and agree that they shall abide by the *Commission's* reasonable determination as to whether such activities or relationships fall within the terms of this Paragraph. The *Program Administrator* agrees, and agrees to obligate its employees and subcontractor(s) to discontinue any activity which the *Commission* determines to constitute a conflict of interest.

The *Program Administrator* affirms that neither it, nor any of its employees or subcontractor(s), has or presently expect any beneficial, contractual or business relationship with the *Contract Administrator*, the *Commission*, the *Evaluator*, the *Compliance Agent* or the *Fiscal Agent* that will be directly affected by the *Program Administrator's* performance of the *Work*. The *Program Administrator* further affirms that it and its employees and subcontractor(s) shall not develop, pursue, or confirm any such beneficial, contractual, or business relationships with the above mentioned parties throughout the term of this *Agreement*, and for 6 months thereafter, without the written permission of the *Commission*.

While conducting business on behalf of any other organization rather than the *Focus on Energy Program*, the *Program Administrator* and its subcontractors shall ensure that their time, travel and any other costs are not billed to the *Focus on Energy program*.

16. Records Available for Audit and Inspection

The *Program Administrator* shall maintain all books, documents, payroll papers, accounting records and other evidence pertaining to the costs it incurs under this *Agreement*, in accordance with Generally Accepted Accounting Principles consistently applied, and make them available at reasonable times during the term of this *Agreement* and for six (6) years thereafter for inspection by the *Contract Administrator*, the *Commission*, the *Compliance Agent*, the *Evaluator*, the *Fiscal Agent* or any of their respective authorized representatives. If any litigation, claim, or audit begins on, or before six years after this *Agreement* terminates, the records shall be retained until all litigation, claims or audit finding involving the records have been resolved. The *Program Administrator* shall include in its subcontract(s) a provision that states that the records of the subcontractor(s) related to the *Work* shall be subject to audit and examination during the term of this *Agreement* and for a period of six years after final payment under the relevant subcontract(s). The provisions in paragraph 16 shall also apply in the event of cancellation or termination of this *Agreement*. The *Program Administrator* shall notify the *Commission* in writing of any planned conversion or destruction of these materials at least 90 days prior to such action. Any charges for copies provided by the *Program Administrator* of books, papers, records, computer files or computer printouts pursuant to this paragraph 16 shall not exceed the actual cost thereof to the *Program Administrator* and shall be reimbursed by the *Fiscal Agent*.

The minimum acceptable financial records for the *Work* under this *Agreement* consist of: 1) Documentation of employee time; 2) Documentation of all equipment, materials, supplies and travel expenses; 3) Inventory records and supporting documentation for allowable equipment purchased to carry out the project scope; 4) Documentation and justification of methodology used in any in-kind contributions; 5) Rationale supporting allocation of space charges; 6) Rationale and documentation of any indirect costs; 7) Documentation of Services and Materials used in the *Work*; and 8) Any other records which support charges to project funds. The *Program Administrator* must maintain sufficient segregation of project accounting records from other projects or programs.

17. Legislative Testimony and Communication with Other Stakeholders

The *Program Administrator* and any subcontractor may provide legislative testimony or other information to legislators or legislative committees on energy efficiency and renewable energy issues in its capacity as the *Program Administrator* or subcontractor for the *Focus on Energy* program. The *Program Administrator* or subcontractor may also provide legislative testimony or other information to legislators or legislative committees on energy efficiency, renewable energy and other issues on behalf of its own organization or, upon request, on behalf of *Contract Administrator* and/or the *Commission*. In order to prevent confusion regarding whether legislative testimony or information is being presented on behalf of the *Focus on Energy* Program or on behalf of its own organization or *Contract Administrator* and the *Commission*, the parties agree to the following guidelines:

- A. Whenever the *Program Administrator* or subcontractor is requested to provide legislative testimony or other information to legislators or legislative committees in its capacity as the *Focus on Energy Program Administrator*, it shall notify the *Commission*. This notification shall include the name of the Committee or legislator requesting the testimony or

information, the date and time the testimony is scheduled, and the specific topic to be discussed. No testimony shall be provided by the *Program Administrator* or subcontractor related to the *Focus on Energy* program prior to receiving approval from the *Commission*. Following the hearing, the *Program Administrator* or subcontractor shall provide the *Commission* with a copy of any written materials specifically developed for, and handed out at, any appearance;

- B. Any person testifying at the legislature or providing other information to legislators or legislative committees on behalf of the *Focus on Energy* program or on behalf of his/her own organization, shall state on the record at the beginning of his/her testimony which entity he/she is representing;
- C. Any person testifying at the legislature or providing other information to legislators or legislative committees on behalf of the *Focus on Energy* program shall not provide testimony or information that would, in the reasonable judgment of the *Contract Administrator* or the *Commission*, diminish the *Program Administrator's* effectiveness.
- D. Whenever the *Program Administrator* or subcontractor is requested to provide information in its capacity as the *Focus on Energy Program Administrator* by utility staff, interveners or other stakeholders participating in rate cases, or other issues which require a *Commission* decision and order, they shall notify *Commission* staff. This notification shall include the name of the person and the organization for which he/she works and the nature of the topic discussed.

18. Program Income

All *Program Income* shall be tracked and recorded on the monthly invoice on a line item called "*Program Income*." *Program Income* generated in a specific program area, i.e. education and training, shall be submitted to the *Fiscal Agent* on a quarterly basis. These funds will be deposited in the *Focus on Energy* general fund. Should these funds be needed by the *Program Administrator* for the program area that generated them, the dollars can be transferred to the *Program Administrator* in an amendment to the contract.

19. Ownership of Data, Records and Intellectual Property; Confidentiality

A. Work Product

All products of the *Program Administrator* and its subcontractor(s)' *Work*, including logos, trademarks, service marks, data, records originated, developed or prepared by the *Program Administrator* or its subcontractor(s), or jointly by the *Program Administrator*, subcontractor(s), and the *Commission* or its agents pursuant to this *Agreement*, including but not limited to papers, outlines, drawings, sketches, art work, plans, photographs, specifications, estimates, reports, charts, surveys, survey results, computer databases and spreadsheets or similar documentation, and any *Work* product determined by the *Commission* to be necessary to the success of the programs approved for implementation by the *Commission*, shall be delivered to and shall become the property of the *Commission*. The *Program Administrator* may resell a *Work* product only with the *Commission's* prior written approval; if the *Program Administrator* resells any *Work* product, ninety (90)

percent of the funds received from such sale shall be used by the *Program Administrator* as a credit on its monthly invoice pursuant to Attachment D. The remaining ten percent (10%) shall be retained by the *Program Administrator*.

Notwithstanding any other language in this *Agreement*, (i) all existing *Program Administrator* intellectual property and proprietary material, provided that it has been identified in advance in writing as such with reasonable particularity, shall remain the sole property of *Program Administrator*, and nothing in this *Agreement* shall be construed as giving *Commission* any right or form of ownership to such intellectual or proprietary property, and (ii) *Program Administrator* acknowledges and agrees that *Contract Administrator* is the sole owner of all databases, program participant information, utility customer usage information, and similar data developed or delivered in connection with the programs to be administered hereunder (all of which shall be deemed to be “*Confidential Information*” for purposes of this *Agreement*), and *Program Administrator* shall acquire no rights of ownership in any such materials.

B. Equipment and Materials Purchased Under This Agreement

Title to equipment or materials purchased directly with funds provided under this *Agreement* shall vest in the *Commission's* name, unless otherwise specified by an amendment to this *Agreement*. Disposition of any such equipment or materials shall be in accordance with applicable State of Wisconsin property disposal procedures, unless otherwise specified by an amendment to this *Agreement*.

C. Research Reports or Similar Publications

Any research report, conference presentation, journal paper or similar other publication prepared or released in written form by the *Program Administrator* or any of its subcontractor(s) that identifies the *Commission*, or the *Contract Administrator* or relies on data acquired from the *Program Administrator's* or its subcontractor(s)' performance of this *Agreement* shall be reviewed and approved by the *Commission* prior to release. The *Commission* shall not unreasonably withhold or delay approval.

D. Paragraph 19 Survives Expiration or Termination of This Agreement

The terms of Paragraph 19 shall continue in effect for a period of two years after the expiration or termination of this *Agreement*.

E. Confidentiality.

Obligation. Each party shall keep confidential and, except for the purpose of fulfilling its obligations under or exercising its rights under this *Agreement*, shall not disclose to any third party or use for its own benefit or for the benefit of any third party, any *Confidential Information* of the other party. Each party shall limit access to *Confidential Information* to those of its employees or agents who have a need for such *Confidential Information*, and who are under a duty of confidentiality at least as restrictive as the confidentiality obligations set forth in this *Agreement*. The obligations set forth in this Section shall survive any termination or expiration of this *Agreement*.

Exclusions. The above confidentiality obligations shall not apply to information requested by the Commission provided that the Commission affords the disclosed information confidential protection to the extent allowed by law. The above confidentiality obligations shall also not apply to information which (a) is or becomes generally known or available through no act or failure to act by the receiving party; (b) is already known by the receiving party at the time of receipt as evidenced by its records; (c) is furnished to the receiving party by a third party, as a matter of right and without restriction on disclosure; or (d) is disclosed with the written permission of the party providing the confidential information. In addition, the receiving party shall be entitled to disclose *Confidential Information* pursuant to a requirement of a governmental agency or law, provided that the receiving party provides prompt written notice to the disclosing party of such requirement or law so as to afford the disclosing party an opportunity to intervene and oppose or limit disclosure and/or obtain a protective order.

Injunctive Relief. The parties acknowledge that a breach or threatened breach of this Section by either of the parties may cause the non-breaching party to suffer irreparable harm and injury such that no remedy at law will adequately compensate the other party. Thus, the non-breaching party shall have the right to obtain injunctive relief with respect to such breach or threatened breach.

20. Use of the “Focus on Energy” Name

The official name of the statewide energy efficiency and renewable energy resources programs is “Focus on Energy.” This is the only identifying name that shall appear on all program marketing materials. The name(s) of the *Program Administrator* and its subcontractor(s) or their affiliates shall not appear on any *Focus on Energy* marketing materials or other documents provided to customers served by the *Program Administrator* or other parties. The intent of this requirement is to have one name and one identity for energy efficiency and renewable resource programs in order to prevent confusion among customers served by the *Program Administrator* and other parties when the *Program Administrator* and its subcontractor(s) are providing program services.

21. No Gifts or Gratuities

The *Program Administrator*, its employees, agents or subcontractor(s) shall not give title or possession of any gifts or gratuities of substantial value (including property, currency, travel/or education programs) to any employee of the *Contract Administrator*, the *Commission*, the *Evaluator*, the *Compliance Agent* or the *Fiscal Agent* during the term of this *Agreement*.

22. Applicability to Subcontractor(s) and Others

The *Program Administrator* shall obtain written statements from anyone it employs or contracts with to perform the *Work* that they understand and agree to be bound by the terms of Paragraphs 19, 20 and 21.

23. Fair Employment Practices and Americans with Disabilities Act

The *Program Administrator* agrees to comply with the requirements of Wisconsin and federal law relating to fair employment practices. To the full extent applicable, the *Program Administrator* shall also ensure, to the full extent required by the Americans with Disabilities

Act of 1990 and any amendments thereto, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the *Program Administrator* under this *Agreement*. The *Program Administrator* further agrees to include this provision in all of its subcontracts.

24. Force Majeure

Either party's performance of any part of the *Agreement* shall be excused to the extent that it is hindered, delayed or otherwise made impractical by reason of flood, riot, fire, explosion, war, acts or omissions of the other party or any other cause, whether similar or dissimilar to those listed, beyond the party's reasonable control. If any such event occurs, the non-performing party shall make reasonable efforts to notify the other party of the nature of such condition and the extent of the delay and shall make reasonable, good faith efforts to resume performance as soon as possible.

25. Severability

If any provision of this *Agreement* shall be adjudged to be unlawful or invalid, then that provision shall be deemed null and void and severable from the remaining provisions, and shall in no way affect the validity of this *Agreement*, and the remaining provisions shall be construed so as to give the greatest effect to the intent of the parties.

26. Survival of Requirements

Unless otherwise authorized in writing by the *Contract Administrator* and approved by the *Commission*, the terms and conditions of this *Agreement* shall survive the term of this *Agreement* and shall continue in full force and effect until the *Program Administrator* has completed, and is in compliance with, all of its requirements.

27. Waiver

Failure or delay on the part of either party to exercise any right, power, privilege or remedy hereunder shall not constitute a waiver thereof. A waiver of any default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

28. Applicable Law

This *Agreement* shall be governed by the laws of the State of Wisconsin. The exclusive venue for any dispute or controversy arising under this *Agreement* shall be the Dane County, Wisconsin Circuit Court or the Federal District Court for the Western District of Wisconsin.

29. Single Audit

The *Program Administrator* shall have a certified annual audit performed utilizing Generally Accepted Accounting Principles and Generally Accepted Auditing standards.

30. Entire Agreement

This *Agreement* with the following Attachments represents the entire *Agreement* between the parties relating to the subject hereof. All prior or contemporaneous *Agreements*, representations, statements, negotiations, and understandings are merged herein and shall have no effect. Without limiting the generality of the foregoing, the parties expressly agree that the Letter Agreement dated March 25, 2011 by and between *Program Administrator* and *Contract*

Administrator is terminated effective upon the execution of this *Agreement*. The *Program Administrator* acknowledges and agrees that (i) *Contract Administrator* is the sole counter-party to this *Agreement*, (ii) *Contract Administrator* is a separate legal entity distinct from its members, and (iii) the individual members and affiliates of *Contract Administrator* shall have no rights or obligations under this *Agreement*. This *Agreement* consists of the following documents totaling 65 pages:

Summary Table of Contents

Main Body of the *Agreement*

Attachment A: Scope of *Work* - *Targeted Market Portfolio*

Attachment B: Scope of *Work* - *Mass Market Portfolio*

Attachment C: Scope of *Work* - *Research Portfolio*

Attachment D: Compensation and Payment Provisions

Attachment E: Annual Targets and Goals

**WE THE UNDERSIGNED PARTIES AGREE
TO BE BOUND BY THIS *AGREEMENT***

By the STATEWIDE ENERGY EFFICIENCY & RENEWABLES ADMINISTRATION, INC. (SEERA)	By SHAW ENVIRONMENTAL & INFRASTRUCTURE, INC.
Date:	Date:
Signature:	Signature:
Name:	Name: Bill Abolt
Title:	Title: District Manager

Approved by the Public Service Commission of Wisconsin

Date: _____

Signature: _____

Name: _____

Title: _____

ATTACHMENT A

SCOPE OF WORK – TARGETED MARKET PORTFOLIO

In the event of conflict between the provisions of the Main *Agreement* and the Scope of *Work* and the Budget, the provisions in the Scope of *Work* and the Budget shall take precedence.

1.0 Introduction

This Scope of *Work* is for the calendar year May 9, 2011 through December 31, 2014, concerning the *Focus on Energy Targeted Market Portfolio* administered by the *Program Administrator*.

- 1.1 The terms of this contract terminate pursuant to the *Agreement*.
- 1.2 The *Program Administrator* shall hire subcontractors to implement several core *Targeted Market Portfolio*, which will include programs in the following sectors:
 - Commercial
 - Industrial
 - Schools & Government
 - Agricultural
- 1.3 The *Program Administrator* shall integrate the promotion of renewable energy technologies into the *Targeted Market Portfolio*, which may include:
 - Anaerobic Digestion Biogas
 - Biomass Combustion
 - Solar Electric
 - Solar Heating
 - Wind

2.0 Statutory Purpose and Priorities

- 2.1 The *Program Administrator* and its subcontractors shall offer the programs so they meet the priorities and purposes specified in Wis.Stat. § 196.374 (2) (a) 2 and (3) (b) 1.
- 2.2 The *Program Administrator* shall meet the total *Targeted Market Portfolio* of installed energy savings goals for the years 2011-2014 to be approved by the Commission staff at a future date (see Attachment E, Section 5, Deliverables). These energy savings goals shall be based on verified gross lifecycle installed energy savings per technology or service as determined by the *Evaluator* and agreed to by the *Commission*.
- 2.3 Benefit /Cost Ratio. The total *Targeted Market Portfolio* of programs will result in a benefit/cost ratio or a Total Resource Cost (TRC) that is a minimum of one,

and is calculated consistent with the *Commission's* decisions in the quadrennial planning process.

3.0 Work Requirements

3.1 Manage all Staff and Subcontractors

- 3.1.1 The *Program Administrator* shall solicit, select, hire, and oversee employees and subcontractors to perform the work pursuant to this contract and develop methods for managing their performance and compensation with input from Commission staff. The *Program Administrator* shall bring in industry-specific and technology-specific specialized expertise on an as-needed basis to provide the appropriate level of energy efficiency and renewable energy technical assistance to customers.
- 3.1.2 The *Program Administrator* shall conduct all solicitations for subcontractors in a manner that is fair and promotes competition.
- 3.1.3 The *Program Administrator* shall be responsible for all matters involving any of its subcontractors engaged under this agreement, including contract compliance, performance, and dispute resolution.
- 3.1.4 The *Program Administrator's* list of subcontractors shall be submitted to the *Commission* for approval prior to execution of a contract. Any changes to this list or additions shall be approved by the *Commission*.
- 3.1.5 The *Program Administrator* and its subcontractors shall present themselves as representatives of *Focus on Energy* when they deal with the media, public and program participants regarding *Focus on Energy* programs. In media dealings that involve *Focus on Energy* funded activities, the *Program Administrator* and its subcontractors shall clearly state that the activity or program is funded by *Focus on Energy*.
- 3.1.6 The *Program Administrator* and its subcontractors shall be required to present information about *Focus on Energy* and the utilities in a clear and factual way.
- 3.1.7 The *Program Administrator* shall notify and seek approval from the *Commission* of any change in subcontractor status or of any key individual staffing changes being made either by the *Program Administrator* or subcontractor.
- 3.1.8 The *Program Administrator* and its subcontractors shall follow *Focus on Energy* participant eligibility guidelines established by the *Commission*.

3.2 Financial Administration

- 3.2.1 The *Program Administrator* shall be responsible for maintaining a detailed accounting system for financial management of the program. The accounting system shall provide all the financial data required by the *Commission*, the *Evaluator*, the *Fiscal Agent*, the *Compliance Agent*, or any other party that the *Commission* determines needs the data.
- 3.2.2 The *Program Administrator* shall provide the *Commission* with financial data in the form of monthly program budget spreadsheets or any other form agreed upon by the *Commission* and the *Contract Administrator*.
- 3.2.3 The *Program Administrator* shall send monthly invoices to the *Commission* for review and approval. The *Program Administrator* shall include an electronic listing of all customer incentives and subcontractor invoices to be paid by the *Fiscal Agent*.
- 3.2.4 The *Program Administrator* shall ensure that subcontractors adhere to all requirements outlined in the *Policy and Procedures Manual* developed by the *Compliance Agent* in consultation with the *Program Administrator* and agreed upon by the *Commission*.
- 3.2.5 The *Program Administrator* shall budget, track and ensure that not less than 10 percent of the moneys utilities are required to spend under Wis.Stat. § 196.374 subd.1 or sub. (3) (b) 2 is spent on programs for units of local government and agricultural producers.
- 3.2.6 The *Program Administrator* shall utilize the Enterprise System to manage and track invoices, payments, customer incentives and other fiscal records pertinent to program administration and accounting.
- 3.2.7 The *Program Administrator* shall assist in the planning, development, implementation, training, and ongoing support of the Enterprise System for the duration of the contract.
 - 3.2.7.1 The *Program Administrator* shall receive any and all requests for access to the Enterprise System and will provide to the *Commission* for approval.
 - 3.2.7.2 The *Program Administrator* shall issue any and all requests for inclusion of new measures or measure changes into the Enterprise System.
 - 3.2.7.3 The *Program Administrator* will facilitate monthly meetings for the Enterprise System User Group. The Enterprise System User Group will meet to discuss issues, incorporate suggestions, and address any questions on the new system. The frequency of these meetings may be reduced as the product usage matures.

3.2.7.4 The *Program Administrator* shall be responsible for working with the *Commission* and subcontractors to develop and modify workflows in the Enterprise System. The *Commission* shall be responsible for approving any changes in workflows and procedures.

3.3 Coordinate with *Commission* and other *Focus on Energy* Contractors

3.3.1 *Program Administrator* and *Commission* staff Coordination Meetings

3.3.1.1 The *Program Administrator* shall host monthly meetings, unless otherwise agreed to by the *Commission*, with implementation team members and the *Commission* to review accomplishments, identify issues that need attention, and discuss future activities.

3.3.1.2 The *Program Administrator* shall participate in a monthly cross-program meeting with the *Commission* to report progress on meeting the energy related goals in the contract, to explain the budget spent- to- date versus total budget for the contract period, and to address any outstanding issues.

3.3.2 Public Information

3.3.2.1 The *Program Administrator* shall host two meetings each year with the *Commission*, the marketing subcontractor, and other *Focus on Energy* subcontractors, to coordinate and develop materials for the *Focus on Energy* Web site. The *Program Administrator* shall keep all materials updated and posted to the *Focus on Energy* Web site and the *Focus on Energy* extranet site. The *Program Administrator* and its subcontractors shall support and utilize the Shaw XNet website established for *Focus on Energy*.

3.3.2.2 The *Program Administrator* and its subcontractors shall follow the Marketing Style Guide developed by the marketing subcontractor and approved by the *Commission* for marketing pieces, including press releases, fact sheets, direct mail pieces, program brochures, and other collateral materials.

3.3.2.3 The *Program Administrator* shall submit annual marketing plans to the *Commission* for approval. The *Program Administrator* shall review and be responsible for all content of individual marketing pieces, including press releases, fact sheets, direct mail pieces, program brochures, and other collateral materials for style and content and shall submit those pieces to the *Commission* for approval prior to release or printing if the *Commission* so request.

- 3.3.2.4 The *Program Administrator* shall provide support for ongoing communication with the Wisconsin Legislature regarding *Focus on Energy*, including legislative updates and annual reports.

3.3.3 Market Research

The *Program Administrator* shall prepare an annual market research plan, soliciting input from the *Commission* and the *Evaluator*. This plan shall cover market research activities for the current contract period that are allowed by the rules implemented under Act 141. This plan shall contain descriptions and timelines for all market research planned by the *Program Administrator*, following market research guidelines prescribed by the *Commission*.

3.3.4 Evaluation

In cooperation with the *Commission* and the *Evaluator*, the *Program Administrator* shall ensure that data for measurement and verification of program energy savings, performance metrics and non-energy benefits is collected, stored, formatted and shared with the *Commission*, the *Evaluator*, and other parties that the *Commission* determines need the data. The *Program Administrator* shall participate in monthly meetings with the *Evaluation Contractor*.

3.3.5 Compliance Agent

- 3.3.5.1 The *Program Administrator* and its subcontractors shall comply with all auditing requests made by the *Compliance Agent* as directed by the *Commission*. The *Program Administrator* and its subcontractors shall cooperate in a timely manner with the *Compliance Agent* and meet deadline requests set by the *Compliance Agent* unless the *Agent* agrees to a request for change or extension that has been made in writing. The *Commission* may withhold payment until compliance with an audit request is met. The *Compliance Agent* shall grant *Program Administrator* at least ten (10) business days to respond to audit requests.

- 3.3.5.2 Should the *Compliance Agent* find that the *Program Administrator* has invoiced the *Focus on Energy* Program for a non-reimbursable expense, the *Program Administrator* shall reimburse the *Focus on Energy* program by a correction on the next invoice or a check made payable to the *Fiscal Agent*.

3.3.6 Focus on Energy Program Data

- 3.3.6.1 The *Commission* retains ownership of all data gathered under funding or activities of this contract. The *Program Administrator* shall notify the *Commission* prior to release of data or its analysis.

- 3.3.6.2 The *Program Administrator* shall geo-code participant identifying information, such that it is possible to report by location (utilities, counties and legislative districts) on results achieved and customers serviced.
- 3.3.6.3 The *Program Administrator* shall make all incentive and program data gathered under funding or activities of this contract easily accessible to the *Commission*.
- 3.3.6.4 The *Program Administrator* shall work cooperatively with the *Commission* on data base technology issues, as needed.
- 3.3.6.5 The *Program Administrator* shall coordinate with the *Commission* regarding planning for future collection of program data not currently being collected.
- 3.3.6.6 The *Program Administrator* shall include data on the status of any customer complaints in its required monthly reports to the *Commission*.
- 3.3.6.7 The *Program Administrator* shall treat all individual customer information as confidential consistent with the provisions in the *Agreement*, Section 19. E. and shall not release this information to the public or to the *Contract Administrator*, unless authorized by the *Commission*.

3.3.7 Customer and Partner Toll Free Numbers

- 3.3.7.1 The *Program Administrator* shall operate a customer call center, with a toll free number that responds to customer questions and directs them to available energy efficiency resources.
- 3.3.7.2 The *Program Administrator* shall collect contact and market information from customers that can be used by the programs and the *Commission*. The *Program Administrator* shall include summary information in its semi-annual reports.
- 3.3.7.3 The *Program Administrator* shall provide one or more toll-free numbers for program partners to have direct contact with program staff.

3.4 Meeting Attendance

The *Program Administrator* shall participate in meetings organized by the *Commission* with the *Commission*, other contractors, and key subcontractors for the *Focus on Energy* program. The *Program Administrator* shall make presentations as requested by the *Commission* relating to program planning, implementation, monitoring outcomes and results for other audiences.

3.5 Collaborations

- 3.5.1 The *Program Administrator* shall seek funding from other sources for *Program Administrator* activities. The *Program Administrator* shall coordinate with the *Commission* its efforts to attract and/or use funding from other sources for *Focus on Energy* projects, program offerings, events, marketing materials or marketing campaigns.
- 3.5.2 The *Program Administrator* shall work cooperatively with the *Commission* to coordinate *Focus on Energy* programs with other ordered and voluntary energy efficiency and renewable energy programs being implemented by participating Wisconsin utilities and by large energy customers as defined in Wis. Stat. § 196.374 (1) (em).

3.6 Reporting

- 3.6.1 The *Program Administrator* shall work with the *Commission* to develop and utilize an effective monthly activity report format, including program accomplishments in the operational and participant standards not covered by the *Evaluator*.
- 3.6.2 The *Program Administrator* shall cooperate with the *Commission* to respond to all requests for information on the *Focus on Energy* programs from the public, the Legislature, the Governor's office and other interested parties.
- 3.6.3 The *Program Administrator* shall assist the *Commission* with writing and compiling various reports required under 2005 Wis. Act 141 including, but not limited to:
 - 3.6.3.1 A Biennial report to the Governor that summarizes the amount recovered from each customer class and the amount of grants made to, and benefits received by, each customer class.
 - 3.6.3.2 An Annual report on the expenses of the *Commission*, utilities and *Program Administrator* incurred by implementing the *Focus on Energy* program.
 - 3.6.3.3 An Annual report on the *Focus on Energy* program's effectiveness in reducing demand for electricity and increasing the use of renewable resources.
 - 3.6.3.4 An Annual statement describing programs and presenting cost and benefit information.
- 3.6.4 The *Program Administrator* shall conduct an annual inventory of each non-expendable item and equipment directly funded by this contract, that

costs \$1,000 or more, and maintain appropriate records and documentation.

- 3.6.5 The *Program Administrator* shall submit an annual list of proposed memberships to the *Commission* for review and approval within thirty (30) days of contract signing. Additional membership opportunities which occur during the contract period and are over \$1,000.00 must be submitted to the *Commission* for prior approval.

3.7 Deliverables

The *Program Administrator* shall submit the following deliverables by the stated completion date.

Deliverables/Activity	Completion Date
1. Submit to the <i>Commission</i> monthly activity reports.	Monthly
2. Submit to the <i>Commission</i> monthly consolidated invoices by program, including electronic listing of customer incentive and subcontractor invoices to be paid by the <i>Fiscal Agent</i> .	Monthly
3. Host <i>Program Administrator</i> and <i>Commission</i> conference calls and meetings.	Monthly
4. Participate in cross-program meetings.	Monthly
5. Report progress toward meeting goals of s.196.374 (3) (b) Wis. Stats and goals identified for each program.	Monthly
6. Submit to the <i>Commission</i> semi-annual performance results reports.	Semi-annual
7. Update the <i>Focus on Energy</i> website.	Ongoing
8. Writing and compiling the reports referenced under Section 3.6.3	Annually or Biennially as specified
9. Submit an annual market research plan.	February 15, annually
10. Submit proposed membership list to the <i>Commission staff</i> .	Within 30 days after contract signing
11. Submit a detailed budget for the <i>Targeted Market Portfolio</i> to be reviewed and approved by the <i>Contract Administrator</i> and <i>Commission staff</i> .	Within 40 days after contract signing
12. Submit a detailed program plan for the <i>Targeted Market Portfolio</i> to be reviewed and approved by the <i>Contract Administrator</i> and <i>Commission staff</i> .	Within 60 days after contract signing

4.0 All Targeted Market Portfolio Work Requirements

- 4.1 The *Program Administrator* and its subcontractors shall plan, develop and offer a suite of *Targeted Market Portfolio* programs to meet the standards in this contract following the program plans approved by the *Contract Administrator* and the *Commission*.

- 4.1.1 The *Program Administrator* shall oversee the implementation of *Targeted Market Portfolio* programs by subcontractors.
- 4.1.2. The *Program Administrator* shall develop and institute a credentialing system for trade allies to deliver *Targeted Market Portfolio* services for customers as approved Program Allies. Program Allies shall submit their customer applications to the appropriate sector subcontractor. Subcontractors will be responsible for reviewing and tracking applications and may retain energy savings achieved from the installed energy efficiency measures.
- 4.2 The *Program Administrator* shall prepare and submit to the *Contract Administrator* and the *Commission* detailed *Target Market Portfolio* program plans that include specific program-level metrics. The *Program Administrator* shall notify the *Commission* before making major changes to these plans.
- 4.3 The *Program Administrator* shall implement strategies and activities as outlined in Attachment A, to meet the standards outlined in Attachment E, Summary Matrix for Energy Savings and Cost-Effectiveness.
- 4.4 The *Program Administrator* shall use incentives and rewards to stimulate market acceptance and reduce cost barriers as outlined in each program plan and promote program participation, market value and market recognition
- 4.5 The *Program Administrator* must receive prior approval from the *Commission* for customer and measure eligibility to be used in awarding custom grants.
- 4.6 The *Program Administrator* shall coordinate incentive and reward criteria and amounts with other *Focus on Energy* programs and other programs offered by the utilities or the State of Wisconsin for consistency and to maximize the impact of those activities.
- 4.7 The *Program Administrator* shall establish and maintain program standards and guidelines for all programs and shall annually consider improvements to program standards, guidelines, training, marketing theme and incentives. The *Program Administrator* shall actively involve the program subcontractors and coordinators in program planning and other issues that impact their programs. The *Program Administrator* shall consider input from the *Contract Administrator*, the *Commission* and other market sources.

5.0 Commercial Sector Program

5.1 Program Overview

The *Focus on Energy* Commercial Sector Program delivers energy efficiency services to commercial businesses in the state of Wisconsin using the following primary strategies:

- Offering of prescriptive and custom incentives, available to all eligible business customers for qualifying measures and projects. These are implemented primarily via transactions directly with subcontractors and trade allies.
- Targeting of key accounts as identified by utilities and/or chain stores within commercial market segments that either offer the best opportunity for cost-effective energy savings or significantly decrease energy use. These market segments may include:
 - Grocery and convenience stores,
 - Hospitality (hotels and restaurants)
 - Healthcare , and
 - Large Commercial Buildings

Within each of these segments which will be defined in the detailed program plans, the *Program Administrator* and its subcontractors shall promote energy-saving projects and technologies that have high energy-savings potential. The *Program Administrator* and its subcontractors shall work directly with end-users to facilitate implementation of energy-savings and renewable energy projects.

5.2 Work Requirements

- 5.2.1 The *Program Administrator* and its subcontractors shall develop, coordinate and offer a variety of types of support interventions in order to achieve stated energy savings and market effect metrics.
- 5.2.2 The *Program Administrator* and its subcontractors shall integrate the promotion of renewable energy services into the Commercial Sector offerings during the period of the contract.

6.0 Industrial Sector Program

6.1 Program Overview

- 6.1.1 The *Focus on Energy* Industrial Sector Program provides energy efficiency services to industrial businesses in the state of Wisconsin using the following general approach:

- Offering of prescriptive and custom incentives available to all eligible business customers for qualifying energy efficiency measures and projects.
- Offering of technical services and project facilitation to assist targeted end users with:
 - Identification of appropriate cost-effective energy efficiency measures;
 - Assessment of energy-savings potential and project opportunities within key, targeted industrial facilities;
 - Recommendation of appropriate energy-saving measures, highlighting specific “best practices” within key end uses, such as lighting, compressed air, steam systems, and water/wastewater treatment; and
 - Development and execution of an energy efficiency action plan to guide the key or targeted end user through the steps of implementing the recommended measures.
 - Targeting of key accounts as defined by each utility with input from *Commission* staff, within industrial market segments that offer the best opportunity for cost-effective energy savings which may include:
 - i. Pulp and Paper
 - ii. Food Processing
 - iii. Metal Casting
 - iv. Plastics
 - v. Biofuels
 - vi. Water and Wastewater
- Implementation of specific strategies to address compressed air efficiency opportunities by working closely with market providers to deliver energy savings.
- Encourage the identification and adoption of emerging energy-efficient technologies by assisting customers and market providers with technical evaluations and funding through grants or loans when appropriate.
- Leverage complementary programs and funding opportunities at the state and federal level.

6.2 Work Requirements

- 6.2.1 The *Program Administrator* and its subcontractors shall develop, coordinate and offer a variety of types of support interventions in order to achieve stated energy savings and market effect metrics.

- 6.2.2 The *Program Administrator* and its subcontractors shall integrate the promotion of renewable energy services into the Industrial Sector offerings for the contract period.

7.0 Schools and Government Sector Program

7.1 Program Overview

- 7.1.1 The *Focus on Energy* Schools and Government Program provides energy efficiency services covering public K-12 schools, private K-12 schools and colleges, the state's technical college system and government end users in the state of Wisconsin using the following general approach:
- Offering of prescriptive and custom incentives available to all eligible schools and government customers for qualifying energy efficiency measures and projects.
 - Offering of technical services and project facilitation to assist targeted Schools and Government facilities with:
 - Identification of appropriate cost-effective energy efficiency measures;
 - Assessment of energy-savings potential and project opportunities within key, targeted school and government facilities;
 - Recommendation of appropriate energy-saving measures; and
 - Project implementation and commissioning.

7.2 Work Requirements

- 7.2.1 The *Program Administrator* and its subcontractors shall develop, coordinate and offer a variety of types of support interventions in order to achieve stated energy savings and market effect metrics.
- 7.2.2 The *Program Administrator* and its subcontractors shall work with the *Commission* to develop appropriate protocols for serving state and federal facilities.
- 7.2.3 The *Program Administrator* and its subcontractors shall integrate the promotion of renewable energy services into the Schools & Government Sector offerings for the contract period.

8.0 Agricultural Program

8.1 Program Overview

8.1.1 The *Focus on Energy* Agricultural Program provides energy efficiency services for farms and rural businesses in the state of Wisconsin using the following general approach:

- Offering of prescriptive and custom incentives, available to all eligible agricultural end users, for qualifying energy efficiency measures and projects; and
- Offering of technical services and project facilitation to assist targeted farms and rural businesses with:
 - Identification of appropriate cost-effective energy efficiency measures;
 - Assessment of project opportunities within key, targeted agricultural customer segments; Recommendation of appropriate energy-saving measures; and
 - Targeting of companies and end-users within agribusiness market segments that offer the best opportunity for cost-effective energy savings which may include:
 - i. Dairy
 - ii. Greenhouse
 - iii. Irrigation
 - iv. Crop Storage

8.2 Work Requirements

8.2.1 The *Program Administrator* and its subcontractors shall develop, coordinate and offer a variety of types of support interventions in order to achieve stated energy savings and market effect metrics.

8.2.2 The *Program Administrator* and its subcontractors shall integrate the promotion of renewable energy services into the Agricultural Sector offerings for the contract period.

9.0 Market Channels Program

9.1 Program Overview

The Market Channels Program serves to increase market share and market penetration for energy efficiency measures and to improve the installation practices of those measures by engaging industry stakeholders and portfolio trade allies in a collaborative environment. The *Program Administrator* shall coordinate the market channel strategies with Program Implementers to ensure coordinated outreach, training, and education and to increase the number of participating program allies.

10. New Construction Program

10.1. Program Overview

The New Construction Program aims to reduce energy usage in new construction projects in Wisconsin. The Program Administrator will work with Commission staff to develop the New Construction component within the Targeted Market Programs.

11.0 Targeted Market Renewable Energy Technologies

11.1 Program Overview

The *Program Administrator* shall offer prescriptive and custom incentives to all eligible targeted market customers for renewable energy technologies.

11.2. Work Requirements

11.2.1 The *Program Administrator* shall coordinate incentive levels and technology-specific requirements with all *Focus on Energy* programs and initiatives to minimize the potential for market or customer confusion.

11.2.2 The *Program Administrator* shall encourage customer owned renewable energy installations and shall consider including the following technologies:

- Anaerobic Digestion Biogas
- Biomass Combustion
- Solar Electric
- Solar Heating
- Wind
- Opportunity Projects

11.2.3 The Program Implementer shall solicit, review, award and manage incentives and grants for eligible projects.

ATTACHMENT B

SCOPE OF WORK – MASS MARKET PORTFOLIO AND WISCONSIN PUBLIC SERVICE CORPORATION STIPULATION PROGRAMS

In the event of conflict between the provisions of the *Main Agreement* and the *Scope of Work* and the Budget, the provisions in the *Scope of Work* and the Budget shall take precedence.

1.0 Introduction

This *Scope of Work* is for the calendar year May 9, 2011 through December 31, 2014, concerning the *Focus on Energy Mass Market Portfolio* and the *Focus on Energy Wisconsin Public Service Corporation (WPS) Stipulation* Programs administered by the *Program Administrator*.

- 1.1 The terms of this contract terminate pursuant to this *Agreement*.
- 1.2 The *Program Administrator* shall hire subcontractors to implement the *Mass Market Portfolio* and *WPS Stipulation* Programs. The *Program Administrator* and its subcontractors shall develop, coordinate, and offer several core *Mass Market Portfolio* programs, including programs for the residential and small business sectors. Additionally, the *Program Administrator* and its subcontractors shall develop, coordinate, and offer two sets of *WPS Stipulation* Programs: Pilot Community-Based Programs and Territory-Wide Programs

Mass Market Portfolio:

- Residential
- Small Business

WPS Stipulation Programs:

- Pilot Community-Based Programs; and
- Territory-Wide Programs

- 1.3 The *Program Administrator* shall include the promotion of renewable energy technologies into the *Mass Market Portfolio*, which may include:
 - Solar Electric
 - Solar Heating
 - Wind
 - Opportunity Projects

2.0 Statutory Purpose and Priorities

- 2.1 The *Program Administrator* and its subcontractors shall offer the programs so that they meet the priorities and purposes specified in Wis.Stat. § 196.374. (2) (a) 2 and (3) (b) 1.

2.2 Portfolio Goals

- 2.2.1 For *Mass Market Portfolio* programs, the *Program Administrator* shall meet the total *Mass Market Portfolio* of installed energy savings goals for the years 2011-2014 to be approved by *Commission* staff at a future date (see Attachment E, Section 5, Deliverables). These energy savings goals shall be based on verified gross lifecycle installed energy savings per technology or service as determined by the *Evaluator* and agreed to by the *Commission*.
- 2.2.2 For *WPS Stipulation* Programs, the *Program Administrator* shall meet the total installed energy savings goals to be approved by the *Commission* at a future date (see Attachment E, Section 5, Deliverables). These energy savings goals shall be based on verified gross lifecycle installed energy savings per technology or service as determined by the *Evaluator* and agreed to by the *Commission*.

2.3 Benefit/Cost Ratio

- 2.3.1 The total *Mass Market Portfolio* of programs will result in a benefit/cost ratio or a Total Resource Cost (TRC) of a minimum of one that is calculated consistent with the *Commission's* decisions in the quadrennial planning process.
- 2.3.2 The total *WPS Stipulation Programs* portfolio benefit/cost ratio for this contract is a minimum of one that is calculated consistent with the *Commission's* decisions in the quadrennial planning process.

3.0 Work Requirements

3.1 Manage all Staff and Subcontractors

- 3.1.1 The *Program Administrator* shall solicit, select, hire, and oversee employees and subcontractors to perform the work pursuant to this contract and develop methods for managing their performance and compensation with input from *Commission* staff. The *Program Administrator* shall bring in industry-specific and technology-specific specialized expertise on an as-needed basis to provide the appropriate level of energy efficiency and renewable energy technical assistance to customers.
- 3.1.2 The *Program Administrator* shall conduct all solicitations for subcontractors in a manner that is fair and promotes competition.
- 3.1.3 The *Program Administrator* shall be responsible for all matters involving any of its subcontractors engaged under this agreement, including contract compliance, performance, and dispute resolution.

- 3.1.4 The *Program Administrator's* list of subcontractors shall be submitted to the *Commission* for approval prior to execution of a contract. Any changes to this list or additions shall be approved by the *Commission*.
- 3.1.5 The *Program Administrator* and its subcontractors shall present themselves as representatives of *Focus on Energy* when they deal with the media, public and program participants regarding *Focus on Energy* programs. In media dealings that involve *Focus on Energy* funded activities, the *Program Administrator* and its subcontractors shall clearly state that the activity or program is funded by *Focus on Energy*.
- 3.1.6 The *Program Administrator* and its subcontractors shall be required to present information about *Focus on Energy* and the utilities in a clear and factual way.
- 3.1.7 The *Program Administrator* shall notify and shall seek approval from the *Commission* of any change in subcontractor status or of any key individual staffing changes being made either by the *Program Administrator* or subcontractor.
- 3.1.8 The *Program Administrator* and its subcontractors shall follow *Focus on Energy* participant eligibility guidelines established by the *Commission*.
- 3.2 Financial Administration
 - 3.2.1 The *Program Administrator* shall be responsible for maintaining a detailed accounting system for financial management of the program. The accounting system shall provide all the financial data required by the *Commission*, the *Evaluator*, the *Fiscal Agent*, the *Compliance Agent*, or any other party that the *Commission* determines needs the data.
 - 3.2.2 The *Program Administrator* shall provide the *Commission* with financial data in the form of monthly program budget spreadsheets or any other form agreed upon by the *Commission* and the *Contract Administrator*.
 - 3.2.3 The *Program Administrator* shall send monthly invoices to the *Commission* for review and approval. The *Program Administrator* shall include an electronic listing of all customer incentives and subcontractor invoices to be paid by the *Fiscal Agent*.
 - 3.2.4 The *Program Administrator* shall ensure that subcontractors adhere to all requirements outlined in the *Policy and Procedures Manual* developed by the *Compliance Agent*, in consultation with the *Program Administrator* and agreed upon by the *Commission*.
 - 3.2.5 The *Program Administrator* shall utilize the Enterprise System to manage and track invoices, payments, customer incentives and other fiscal records pertinent to program administration and accounting.

- 3.2.6 The Program Administrator shall assist in the planning, development, implementation, training, and ongoing support of the Enterprise System for the duration of the contract.
 - 3.2.6.1 The *Program Administrator* shall receive any and all requests for access to the Enterprise System and will provide to the *Commission* for approval.
 - 3.2.6.2 The *Program Administrator* shall issue any and all requests for inclusion of new measures or measure changes into the Enterprise System.
 - 3.2.6.3 The *Program Administrator* will facilitate monthly meetings for the Enterprise System User Group. The Enterprise System User Group will meet to discuss issues, incorporate suggestions, and address any questions on the new system. The frequency of these meetings may be reduced as the product usage matures.
 - 3.2.6.4 The *Program Administrator* shall be responsible for working with the *Commission* and subcontractors to develop and modify workflows in the Enterprise System. The *Commission* shall be responsible for approving any changes in workflows and procedures.
- 3.3 Coordinate with the *Commission* and other *Focus on Energy* Contractors
 - 3.3.1 *Program Administrator* and *Commission* Coordination Meetings – *Mass Market Portfolio*
 - 3.3.1.1 For purposes of *Mass Market Portfolio* the *Program Administrator* shall host monthly meetings, unless otherwise agreed to by the *Commission*, with implementation team members and the *Commission* to review accomplishments, identify issues that need attention, and discuss future activities.
 - 3.3.1.2 The *Program Administrator* shall participate in a monthly cross-program meeting with the *Commission* to report progress on meeting the energy related goals in the contract, to explain the budget spent- to- date versus total budget for the calendar year, and to address any outstanding issues.
 - 3.3.2 *Program Administrator* and *Commission* Coordination Meetings – *WPS Stipulation Programs*
 - 3.3.2.1 For purposes of *WPS Stipulation Programs* the *Program Administrator* shall host conference calls and meetings, as necessary, with WPS and the *Commission* to review

accomplishments, identify issues that need attention, and discuss future activities.

- 3.3.2.2 The *Program Administrator* shall participate in a monthly cross-program meeting with the *Commission* to report progress on meeting the energy standards in the contract, to explain the budget spent- to- date versus total budget for the 12 month contract period, and to address any outstanding issues.

3.3.3 Public Information

- 3.3.3.1 The *Program Administrator* shall host two meetings each for *Mass Market Portfolio* and *WPS Stipulation* Programs per year with the *Commission*, the marketing subcontractor, and other *Focus on Energy* subcontractors, to coordinate and develop materials for the *Focus on Energy* Web site. The *Program Administrator* shall keep all materials updated and posted to the *Focus on Energy* Web site and the *Focus on Energy* extranet site. The *Program Administrator* and its subcontractors shall support and utilize the Shaw XNet website established for *Focus on Energy*

- 3.3.3.2 The *Program Administrator* and its subcontractors shall follow the Marketing Style Guide developed by the marketing subcontractor and approved by the *Commission* for marketing pieces, including press releases, fact sheets, direct mail pieces, program brochures, and other collateral materials.

In addition, The *Program Administrator* and its subcontractors shall work with the *WPS Stipulation* staff and the *Commission* to determine appropriate style guidelines for the Community Pilot marketing pieces, including press releases, fact sheets, direct mail pieces, program brochures, and other collateral materials.

- 3.3.3.3 The *Program Administrator* shall submit annual marketing plans for the *Mass Market* and *WPS Stipulation* Territory-Wide Programs to the *Commission* for approval. The *Program Administrator* shall be responsible for and review all content of individual marketing pieces, including press releases, fact sheets, direct mail pieces, program brochures, and other collateral materials for style and content and shall submit those pieces to the *Commission* for approval prior to release or printing if the *Commission* so requests.

- 3.3.3.4 The *Program Administrator* shall provide support for ongoing communication with the Wisconsin Legislature regarding *Focus on Energy*, including legislative updates and annual reports.

3.3.4 Market Research

The *Program Administrator* shall prepare an annual market research plan after soliciting input from the *Commission* and the *Evaluator*. This plan shall cover market research activities for the current contract period that are allowed by the rules implemented under Act 141. This plan shall contain descriptions and timelines for all market research planned by the *Program Administrator*, following market research guidelines prescribed by the *Commission*.

3.3.5 Evaluation

In cooperation with the *Commission* and the *Evaluator*, the *Program Administrator* shall ensure that data for measurement and verification of program energy savings, performance metrics and non-energy benefits is collected, stored, formatted and shared with the *Commission*, the *Evaluator* and other parties that the *Commission* determines need the data. The *Program Administrator* shall participate in monthly meetings with the *Evaluation Contractor*.

3.3.6 Compliance Agent

3.3.6.1 The *Program Administrator* and its subcontractors shall comply with all auditing requests made by the *Compliance Agent* as directed by the *Commission*. The *Program Administrator* and its subcontractors shall cooperate in a timely manner with the *Compliance Agent* and meet deadline requests set by the *Compliance Agent* unless the *Compliance Agent* agrees to a request for change or extension that has been made in writing. The *Commission* may withhold payment until compliance with an audit request is met. The *Compliance Agent* shall grant *Program Administrator* at least ten (10) business days to respond to audit requests.

3.3.6.2 Should the *Compliance Agent* find that the *Program Administrator* has invoiced the *Focus on Energy* Program for a non-reimbursable expense, the *Program Administrator* shall reimburse the *Focus on Energy* program by a correction on the next invoice or a check made payable to the *Fiscal Agent*.

3.3.7 Focus on Energy Program Data

3.3.7.1 The *Commission* retains ownership of all data gathered under funding or activities of this contract. The *Program Administrator* shall notify the *Commission* prior to release of data or its analysis.

3.3.7.2 The *Program Administrator* shall make all incentive and program data gathered under funding or activities of this contract easily accessible, in real time, to the *Commission*.

- 3.3.7.3 The *Program Administrator* shall geo-code participant identifying information, such that it is possible to report by location (utilities, counties and legislative districts) on results achieved and customers serviced.
- 3.3.7.4 The *Program Administrator* shall work cooperatively with the *Commission* on data base technology issues, as needed.
- 3.3.7.5 The *Program Administrator* shall coordinate with the *Commission* regarding planning for future collection of program data not currently being collected.
- 3.3.7.6 The *Program Administrator* shall include data on the status of any customer complaints in its required monthly reports to the *Commission*.
- 3.3.7.7 The *Program Administrator* shall treat all individual customer information as confidential consistent with the *Agreement* , Section 19.,E. and shall not release this information to the public or to the *Contract Administrator*, unless authorized by the *Commission*.

3.3.8 Customer and Partner Toll Free Numbers

- 3.3.8.1 The *Program Administrator* shall operate a customer toll free system that responds to customer questions and directs them to available energy efficiency resources. Customer inquiries regarding the community pilot will be directed to the WPS call center.
- 3.3.8.2 The *Program Administrator* shall collect contact and market information from customers that can be used by the programs and the *Commission*. The *Program Administrator* shall include summary information in its semi-annual reports.
- 3.3.8.3 The *Program Administrator* shall provide one or more toll-free numbers for program partners to have direct contact with program staff.

3.4 Meeting Attendance

The *Program Administrator* shall participate in meetings organized by the *Commission* with the *Commission*, other contractors, and key subcontractors for the *Focus on Energy* program. The *Program Administrator* shall make presentations as requested by the *Commission* relating to program planning, implementation, monitoring outcomes and results for other audiences.

3.5 Collaborations

- 3.5.1 The *Program Administrator* shall seek funding from other sources for *Program Administrator* activities. The *Program Administrator* shall coordinate with the *Commission* its efforts to attract and/or use funding from other sources for *Focus on Energy* projects, program offerings, events, marketing materials or marketing campaigns.
- 3.5.2 The *Program Administrator* shall work cooperatively with the *Commission* to coordinate *Focus on Energy* programs with other ordered and voluntary energy efficiency and renewable energy programs being implemented by participating Wisconsin utilities and by large energy customers as defined in Wis. Stat. § 196.374 (1) (em).

3.6 Reporting

- 3.6.1 The *Program Administrator* shall work with the *Commission* to develop and utilize an effective monthly activity report format, including program accomplishments in the operational and participant standards not covered by the *Evaluator*.
- 3.6.2 The *Program Administrator* shall cooperate with the *Commission* to respond to all requests for information on the *Focus on Energy* programs from the public, the Legislature, the Governor's office and other interested parties.
- 3.6.3 The *Program Administrator* shall assist the *Commission* with writing and compiling various reports required under 2005 Wis. Act 141 including, but not limited to:
 - 3.6.3.1 A Biennial report to the Governor that summarizes the amount recovered from each customer class and the amount of grants made to, and benefits received by, each customer class.
 - 3.6.3.2 An Annual report on the expenses of the *Commission*, utilities and *Program Administrator* incurred by implementing the *Focus on Energy* program.
 - 3.6.3.3 An Annual report on the *Focus on Energy* program's effectiveness in reducing demand for electricity and increasing the use of renewable resources.
 - 3.6.3.4 An Annual statement describing programs and presenting cost and benefit information.
- 3.6.4 The *Program Administrator* shall conduct an annual inventory of each non-expendable item and equipment directly funded by this contract, that costs \$1,000.00 or more, and maintain appropriate records and documentation.

- 3.6.5 The *Program Administrator* shall submit an annual list of proposed memberships to the *Commission* for review and approval within thirty (30) days of contract signing. Additional membership opportunities which occur during the contract period and are over \$1,000.00 must be submitted to the *Commission* for prior approval.

3.7 Deliverables

The *Program Administrator* shall submit the following deliverables by the stated completion date.

Deliverables/Activity	Completion Date
1. Submit to the <i>Commission</i> monthly activity reports.	Monthly
2. Submit to the <i>Commission</i> monthly consolidated invoices by program, including electronic listing of customer incentive and subcontractor invoices to be paid by the <i>Fiscal Agent</i> .	Monthly
3. Host <i>Program Administrator</i> , <i>Commission</i> , and <i>WPS</i> conference calls and meetings.	As necessary
4. Participate in cross-program meetings.	Monthly
5. Report progress toward meeting goals of s.196.374 (3) (b) Wis. Stats and goals identified for each program.	Monthly
6. Submit to the <i>Commission</i> , semi-annual performance results reports.	Semi-annual
7. Update the <i>Focus on Energy</i> website.	Ongoing
8. Writing and compiling the reports referenced under Section 3.6.3	Annually or Biennially as specified
9. Submit an annual market research plan.	February 15, annually
10. Submit proposed membership list to the <i>Commission</i>	Within 30 days after contract signing
11. Submit a detailed budget for the <i>Mass Market Portfolio</i> and <i>WPS Stipulation</i> Programs to be reviewed and approved by the <i>Contract Administrator</i> and <i>Commission staff</i> .	Within 40 days after contract signing
12. Submit a detailed program plan for the <i>Mass Market Portfolio</i> and <i>WPS Stipulation</i> Programs to be reviewed and approved by the <i>Contract Administrator</i> and <i>Commission staff</i> .	Within 60 days after contract signing

4.0 All Mass Market Portfolio Programs Work Requirements

- 4.1 The *Program Administrator* and its subcontractors shall plan, develop and offer a suite of *Mass Market Portfolio* Programs to meet the goals in this contract following the detailed program plans approved by the *Contract Administrator* and the *Commission*.

- 4.1.1 The *Program Administrator* shall oversee the implementation of *Mass Market Programs* by subcontractors.
- 4.2 The *Program Administrator* shall prepare and submit to the *Contract Administrator* and the *Commission* a detailed *Mass Market Portfolio* program plan that includes specific program-level metrics. The *Program Administrator* shall notify the *Commission* before making major changes to these plans.
- 4.3 The *Program Administrator* shall implement strategies and activities as outlined in Attachment B to meet the standards outlined in Attachment E, Summary Matrix for Energy Savings and Cost-Effectiveness.
- 4.4 The *Program Administrator* may use incentives and rewards to stimulate market acceptance and reduce cost barriers as outlined in each program plan and promote program participation, market value, and market recognition.
- 4.5 The *Program Administrator* shall coordinate program activities including incentive and reward criteria and amounts with other *Focus on Energy* programs and with other parties including other programs run by utilities or the State of Wisconsin for consistency and to maximize the impact of these activities where appropriate.
- 4.6 The *Program Administrator* shall establish and maintain program standards and guidelines for all programs and shall annually consider improvements to program standards, guidelines, training, marketing theme, and incentives, considering input from subcontractors, the *Commission*, the *Contract Administrator*, program providers and other market sources.

5.0 Apartment and Condo Efficiency Services

5.1 Program Overview

The Apartment and Condo Efficiency Services program may provide design assistance, best practices and incentives for both new construction and existing buildings with four or more units. The program works with the owners, developers, architects, operators and the market providers that serve these customers to make buildings more energy efficient.

5.2 Work Requirements

- 5.2.1 The *Program Administrator* through its subcontractors shall provide incentives on building shell measures, central space heating, cooling, and lighting equipment.
- 5.2.2 The *Program Administrator* and its subcontractors shall provide best practices and design assistance services for new multifamily construction

projects in coordination with the *Targeted Markets Portfolio* commercial new construction program.

6.0 Appliance and Plug Load Program

6.1 The Appliance and Plug Load Program will promote-- through the support of retailers--the sale and purchase of ENERGY STAR and other energy efficient home appliances whose energy consumption and performance have been measured and verified with testing and approved by *Commission* staff. This support will take multiple forms which may include training, marketing materials, on-site field representative assistance, advertising, special promotions, and incentives for the purchase of qualified products. Cooperative activities and promotions with manufacturers and distributors working with retailers may also support these efforts.

6.2 Work Requirements

6.2.1 The *Program Administrator* and its subcontractors will work to promote ENERGY STAR qualified residential appliances and products or other energy efficient products whose energy consumption and performance have been measured and verified with testing and approved by *Commission* staff. These products would be promoted through education, marketing and/or incentives.

6.2.2 The *Program Administrator* and its subcontractors shall evaluate existing partnerships and create new partnerships with manufacturers, distributors, suppliers and retailers of ENERGY STAR qualified residential appliances and products or other energy efficient products whose energy consumption and performance have been measured and verified with testing and approved by *Commission* staff. .

6.2.3 The *Program Administrator* and its subcontractors shall provide education and training for participating retailers to promote the features and benefits of ENERGY STAR qualified products or other energy efficient products whose energy consumption and performance have been measured and verified with testing and approved by *Commission* staff.. This may include retailer training to improve their sales effectiveness.

6.2. 4 The *Program Administrator* shall continue to monitor opportunities to reduce electrical usage associated with plug load.

7.0 Efficient Residential Heating and Cooling

7.1 Program Overview

The Efficient Residential Heating and Cooling Program provides services for single family and multifamily (new and existing unit) customers that purchase HVAC equipment through the established distribution chain. The objectives of the program are two-fold: to increase the market share for high efficiency HVAC equipment, primarily through improving the efficiency of appliances installed in residential buildings; and to improve the installation and maintenance practices of equipment during service. To support these objectives, the program works in cooperation with industry stakeholders to develop the expertise, knowledge and experience of the industry.

7.2 *Work Requirements*

- 7.2.1 The *Program Administrator* and its subcontractors shall work with HVAC equipment manufacturers and wholesale distributors to disseminate technical and programmatic information to contractors.
- 7.2.2 The *Program Administrator* shall coordinate across other programs and to ensure the integration of efficient HVAC equipment opportunities where appropriate.
- 7.2.3 The *Program Administrator* and its subcontractors may work with HVAC distributors to report sales data for furnaces, boilers and central air conditioners as part of the Furnace and Air Conditioning Tracking System (FACTS).

8.0 **Home Performance with ENERGY STAR**

8.1 *Program Overview*

Home Performance with ENERGY STAR provides services for existing residential buildings with one to three dwelling units. The program serves to make building improvements more energy efficient and residential housing safer by incorporating building science principles and methodology during home improvement activities. To support these activities, the program helps develop the expertise, knowledge and experience of the building community.

8.2 *Work Requirements*

- 8.2.1 The *Program Administrator* and its subcontractors shall provide activities that address program needs of home performance consultants, building trade contractors, remodelers, and consumers including developing relationships with the home improvement, insulation and remodeling industry for the purpose of incorporating building performance practices in their projects.

- 8.2.2 The *Program Administrator* through its subcontractors shall provide business development and technical training, and on-site mentoring to develop expertise in private market-based businesses participating in the Home Performance with ENERGY STAR program.
- 8.2.3 The *Program Administrator* shall target underserved markets including mobile homes and affordable housing industry.
- 8.2.4 The *Program Administrator* through its subcontractors shall train consultants as needed to address infrastructure gaps, or to develop sufficient capacity for demand created by remodeling, insulation and home improvement companies.

9.0 Targeted Home Performance with ENERGY STAR

9.1 Program Overview

Targeted Home Performance with ENERGY STAR enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. The program provides weatherization services to households that fall in the income range of 60 to 80 percent of State Median Income in qualifying 1 to 3 unit buildings. Program standards are similar to the state's Low Income Weatherization program. A nominal financial contribution towards the weatherization improvements is required.

The *Program Administrator* shall evaluate the effectiveness of this program and consider alternative program designs for low- to middle-income households.

9.2 Work Requirements

- 9.2.1 The *Program Administrator* and its subcontractors shall continue to utilize the existing weatherization provider network where appropriate and test other additional delivery options in under-served areas.
- 9.2.2 The *Program Administrator* shall complete quality assurance site visits on 5 percent of whole house completions.

10.0 Focus New Homes

10.1 Program Overview

The Focus New Homes program provides services to participating new home builders in and homebuyers of one- to four-unit dwellings of three stories or less. The program establishes standards for building structures and HVAC systems. To assure performance and assist participating builders, private consultants provide plan review and field checks. Field mentoring is provided to assist participating

builders and subcontractors working for the builder. The program helps consumers understand the value provided by program homes, including comfort, durability, and safety.

The *Program Administrator* shall evaluate the effectiveness of the current Focus New Homes program.

10.2 *Work Requirements*

10.2.1 The Program Administrator shall promote and support targeted education and training for program participants that increases market value and credibility and enhances the message and benefits of the Focus New Homes program participation. Education and training shall include both technical and non-technical training, and field support to develop expertise and efficiency in program providers.

10.2.2 The Program Administrator shall support and promote renewable energy technologies in new construction by enabling builders to render a home ready for renewable energy technology at time of construction.

11.0 **Mass Market Information and Education Initiatives**

11.1 *Program Overview*

The *Mass Markets Portfolio* Information and Education Initiatives shall support all *Mass Market Portfolio Focus on Energy* activities. While there are additional education and training elements within all programs, this program initiative has activities that are independent of a specific program.

11.2 *Work Requirements*

11.2.1 The *Program Administrator* shall work to maintain and enhance a network of building science resources for K-12 technical education teachers that includes (but is not limited to) guest speakers, grants and scholarships, and field trip opportunities.

11.2.2. The *Program Administrator* shall continue to work with schools, libraries, utilities and other related organizations to leverage opportunities to inform consumers about *Focus on Energy* offerings.

11.2.3 The *Program Administrator* shall work to target and develop relationships with community groups interested in energy efficiency. This includes the development of program and promotional opportunities designed to achieve energy savings and increase awareness of issues related to energy efficiency, renewable energy and climate change.

12.0 ENERGY STAR Lighting Program

12.1 Program Overview

The ENERGY STAR Lighting program will continue the program efforts of promoting-- through support of retailers--the sale and purchase of ENERGY STAR lighting products that are certified by the U.S. Environmental Protection Agency (EPA) and U.S. Department of Energy (DOE). This support comes in many forms including training, marketing materials, on-site ENERGY STAR representative assistance, advertising and special promotions and rewards for the purchase of qualified products. Cooperative activities and promotions with manufacturers and distributors working with their retailers also support these efforts. In addition, the program may choose to target other products that are energy efficient but that do not have the ENERGY STAR label.

12.2 Work Requirements

- 12.2.1 The *Program Administrator* through its subcontractors shall continue to promote either through incentives or consumer outreach, ENERGY STAR qualified lighting products as well as some emerging technologies such as LED technologies.
- 12.2.2 The *Program Administrator* through its subcontractors shall continue to support existing and create new partnerships with manufacturers, distributors, suppliers and retailers of ENERGY STAR lighting and other energy efficient lighting products for the residential market specifically targeting those opportunities that ensure lift in product sales.
- 12.2.3 The *Program Administrator* through its subcontractors shall provide education and training for participating retailers to promote the ENERGY STAR label and benefits. This will include retailer training to improve their sales effectiveness.
- 12.2.4 The *Program Administrator* shall coordinate across other programs to ensure the integration of ENERGY STAR qualified lighting products where appropriate.
- 12.2.5 The *Program Administrator* and its subcontractors shall work with lighting manufacturers and retailers to report sales and/or shipping data of bulbs, including compact fluorescent bulbs, in an effort to establish market share for ENERGY STAR qualified bulbs in Wisconsin.

13.0 Community-based Low-Income Outreach

- 13.1 The *Program Administrator* shall evaluate whether to continue a partnership with Head Start agencies to deliver CFLs, fluorescent torchiere lamps and energy education to Wisconsin residents with limited incomes and resources.
- 13.2 The *Program Administrator* shall propose a community-based organization partnership program to distribute CFLs, and energy education to Wisconsin residents with limited incomes and resources. The *Program Administrator* shall include this program in the 2011 *Mass Market Portfolio*.

14.0 Mass Market Renewable Energy Technologies

14.1 Program Overview

The *Program Administrator* shall offer prescriptive or custom incentives to all eligible mass market customers for renewable energy technologies.

14.2 Work Requirements

- 14.2.1 The *Program Administrator* shall coordinate incentive levels and technology-specific requirements with all Focus on Energy programs and initiatives to minimize the potential for market or customer confusion.
- 14.2.2 The *Program Administrator* shall encourage customer owned renewable energy installations and shall consider including the following technologies:
- Solar Electric
 - Solar Heating
 - Wind
 - Opportunity Projects
- 14.2.3 The *Program Administrator* and its subcontractors shall solicit, review, award and manage incentives and grants for eligible projects.

15.0 All WPS Stipulation Programs Work Requirements

- 15.1 The *Program Administrator* shall plan, develop and implement a suite of *WPS Stipulation Programs* to meet the standards in this contract following the program plans approved by the *Commission*.
- 15.2 The *Program Administrator* shall maintain detailed *WPS Stipulation Program* plans that include specific program-level metrics. The *Program Administrator* shall notify the *Commission* before making major changes to these plans.

- 15.3 The *Program Administrator* shall implement strategies and activities, to meet the standards outlined in Attachment E, Summary Matrix for Energy Savings and Cost-Effectiveness.
- 15.4 The *Program Administrator* shall use incentives and rewards that are approved by the *Contract Administrator* and the *Commission* to stimulate market acceptance and reduce cost barriers as outlined in each program plan and promote program participation, market value and market recognition
- 15.5 The *Program Administrator* must receive prior approval from the *Commission* for selection criteria to be used in awarding custom grants.
- 15.6 The *Program Administrator* shall coordinate incentive and reward criteria and amounts with other *Focus on Energy* programs and other programs run by the utilities or the State of Wisconsin for consistency and to maximize the impact of those activities.
- 15.7 The *Program Administrator* shall establish and maintain program standards and guidelines for all programs and periodically consider improvements to program standards, guidelines, training, marketing theme and incentives. The *Program Administrator* shall actively involve the program subcontractors and coordinators in program planning and other issues that impact their programs. The *Program Administrator* shall consider input from the *Contract Administrator*, the *Commission* and other market sources.

16.0 Pilot Community-Based Programs (*WPS Stipulation Programs*)

16.1 Program Overview

16.1.1 The *Program Administrator* shall collaborate with WPS and the Citizens Utility Board (CUB) to design and implement three (3) community-based pilot programs aimed at reducing customer energy usage within the pilot communities. The *Program Administrator* shall be responsible for implementing a variety of initiatives which may include:

- Energy Education from School to Home
- Home Energy Review
- Comprehensive Home Energy Assessment
- Heating & Cooling Early Retirement
- Energy Use Feedback Devices
- Enhanced Business Incentives
- Small Business Audit
- Community Supported Financing
- Community Participation Reward

The *Program Administrator* shall work with WPS and CUB to develop a detailed program plan.

17.0 Territory-Wide Programs (*WPS Stipulation Programs*)

17.1 Program Overview

17.1.1 The *Program Administrator* and its subcontractors shall deliver enhanced energy efficiency and renewable energy services to eligible customers in the WPS territory. The *Program Administrator* shall submit a plan for programs by the date specified under 3.7 number 12.

ATTACHMENT C

SCOPE OF WORK – RESEARCH PORTFOLIO

1.0 Introduction

This Scope of *Work* is for the contract period May 9, 2011 through December 31, 2014 concerning the *Focus on Energy Research Portfolio* administered by the *Program Administrator*. In the event of conflict between the provisions of the *Main Agreement* and the Scope of *Work* and the Budget, the provisions in the Scope of *Work* and the Budget shall take precedence.

1.1 The terms of contract terminate pursuant to the *Agreement*.

The *Program Administrator* shall issue contracts and grants to support research projects that study the environmental and economic impacts of energy use in Wisconsin. The primary program supporting these efforts is the *Environmental and Economic Research and Development Program* (EERD). Additional programs and initiatives may be offered under the *Research Portfolio*.

2.0 Statutory Purpose and Priorities

The *Program Administrator* shall pursue the overall goal of conducting research and development regarding the environmental and economic impacts of energy use in Wisconsin, as outlined in 2005 Wis. Act 141, and to make these research results directly available to state policymakers, the utilities, and other stakeholders. To complete this goal the *Program Administrator* will establish the *Environmental and Economic Research and Development Program*.

2.1 Work with the *Commission* staff, the *Contract Administrator* and appropriate stakeholders to determine research priorities for the contract period.

2.2 Oversee and monitor progress of projects.

2.3 Coordinate and oversee the Request for Proposals (RFP) process.

2.4 Create a communications plan to disseminate research results to *Focus on Energy* team members, utilities, the public and others as directed by the *Commission* staff and the *Contract Administrator*.

3.0 *Environmental and Economic Research and Development Program*

3.1 Administer Contracts and Grants

- 3.1.1 The *Program Administrator* shall be responsible for maintaining a detailed accounting system for the financial management for the *Environmental and Economic Research and Development Program* as well as other research initiatives. The accounting system shall provide all the data required by the *Commission*, the *Evaluator* and the *Compliance Agent*.
- 3.1.2 The *Program Administrator* shall perform administrative tasks for appropriate stakeholder meetings including: affirmation of the charge for the group, development of appropriate agendas, selection of meeting dates and locations, organization of relevant speakers, preparation of meeting summaries, maintenance of relevant mailing lists and other tasks as appropriate.
- 3.1.3 Work with the *Commission* staff to determine if the current stakeholder group, the EERD Program Forum (Forum), should continue in its current form and if the Forum's membership needs to be updated given priorities established by the *Commission* and the *Contract Administrator*.
- 3.1.4 The Forum or any newly defined stakeholder group shall:
 - 3.1.4.1 Identify gaps in current knowledge about the environmental and economic impacts of energy use in this state.
 - 3.1.4.2 Provide input on research topics and criteria which fill the identified gaps.
 - 3.1.4.3 Provide feedback and advice to the *Program Administrator* on preliminary and final research results and appropriate outreach and dissemination as requested.
 - 3.1.4.4 Provide input to screen projects which are bid through an RFP process.
- 3.1.5 The *Program Administrator* shall provide the *Commission* with standardized language to be used in all Grant or Contract agreements for approval prior to awarding or extending any Grants or Contracts.
- 3.1.6 The *Program Administrator* shall negotiate and sign Grant or Contract amendments as necessary and appropriate.
- 3.1.7 The *Program Administrator* shall edit and format final research project reports completed in the contract period. The *Program Administrator* shall forward a draft of the research project reports to the *Commission* for review and input before the reports are finalized.

- 3.1.8 The *Program Administrator* shall share updates and research results with the *Commission* and the *Contract Administrator* and arrange for presentations as may be necessary.
- 3.1.9 The *Program Administrator* and its subcontractors shall present themselves as representatives of *Focus on Energy* when they deal with the media, public and program participants regarding *Focus on Energy* programs. In media dealings that involve *Focus on Energy* funded activities, the *Program Administrator*, its subcontractors, and EERD Grant or Contract recipients shall clearly state that the activity or program is funded by *Focus on Energy*.
- 3.1.10 The *Program Administrator* shall notify and seek approval from the *Commission* of any change in EERD Grant or Contract status or of any key individual staffing changes being made by the *Program Administrator* or EERD Grant or Contract recipients.
- 3.2 Communication of Research Results
 - 3.2.1 The *Program Administrator* shall create a communication plan that describes activities and strategies to promote the *Environmental and Economic Research and Development Program* and the research it funds. Information shall be directed to the following interest groups: 1) state and regional policy makers, 2) utilities, 3) the media, 4) educators, 5) contractors for other *Focus on Energy* programs, and 6) EERD Grant or Contract recipients and other researchers. The *Program Administrator* will work cooperatively with the *Commission* to communicate the program's research results to these interest groups and to the *Commission*.
- 3.3 Coordinate with the *Commission* and other *Focus on Energy* Contractors
 - 3.3.1 *Program Administrator* and *Commission* Coordination meetings
 - 3.3.1.1 The *Program Administrator* shall host or attend meetings as needed with *Commission* staff and the *Contract Administrator* to review accomplishments, identify issues that need attention and discuss future activities.
 - 3.3.1.2 The *Program Administrator* shall keep the *Commission* staff apprised of its activities in a mutually agreed manner.
 - 3.3.2 Public Information
 - 3.3.2.1 The *Program Administrator* shall host two meetings each year with the *Commission*, the marketing subcontractor, and other

Focus on Energy subcontractors, to coordinate and develop materials for the *Focus on Energy* Web site. The *Program Administrator* shall keep all materials updated and posted to the *Focus on Energy* Web site. The *Program Administrator* and its subcontractors shall support and utilize the Shaw XNet website established for *Focus on Energy*.

3.3.2.2 The *Program Administrator* and its subcontractors shall follow the Marketing Style Guide developed by the marketing subcontractor and approved by the *Commission* for marketing pieces, including press releases, fact sheets, direct mail pieces, program brochures, and other collateral materials.

3.3.2.3 The *Program Administrator* shall coordinate all public information releases through the *Commission* staff.

3.3.3 *Compliance Agent*

3.3.3.1 The *Program Administrator* and *Research Portfolio* Grant and Contract recipients shall comply with all auditing requests made by the *Compliance Agent* as directed by the *Commission*. The *Program Administrator* and *Research Portfolio* Grant or Contract recipients shall cooperate in a timely manner with the *Compliance Agent* and meet deadline requests set by the *Compliance Agent* unless the *Compliance Agent* agrees to a request for change or extension that has been made in writing. The *Commission* may withhold payment until compliance with an audit request is met. The *Compliance Agent* shall grant *Program Administrator* at least ten (10) business days to respond to audit requests.

3.3.3.2 Should the *Compliance Agent* find that the *Program Administrator* has invoiced the *Focus on Energy* program for a non-reimbursable expense, the *Program Administrator* shall reimburse the *Contract Administrator* by a correction on the next invoice or by a check made payable to the *Fiscal Agent*.

3.3.4 *Data*

3.3.4.1 The *Commission* retains ownership of all data gathered under funding or activities of this contract, unless otherwise specified in a *Research Portfolio* Grant or Contract. The *Program Administrator* shall notify the *Commission* staff prior to release of data or its analysis.

- 3.3.4.2 The *Program Administrator* shall make all financial and program data gathered under funding or activities of this *Agreement* easily accessible, in real time, to the *Commission*.
- 3.3.4.3 The *Program Administrator* shall coordinate with the *Commission* staff regarding planning for future collection of financial or program data not currently being collected.
- 3.3.4.4 The *Program Administrator* shall coordinate all research on the economic impacts of energy use with the *Commission* staff and the *Evaluator* and work cooperatively to avoid funding any duplication of research objectives and reporting of results.

3.4 Meeting Attendance

- 3.4.1 The *Program Administrator* shall participate in meetings organized by the *Commission* with the *Commission*, other contractors and key subcontractors for the *Focus on Energy* program. The *Program Administrator* shall make presentations as requested by the *Commission* relating to program planning, implementation, monitoring outcomes and results for other audiences.

3.5 Collaborations

- 3.5.1 The *Program Administrator* shall seek funding from other sources for *Program Administrator* activities. The *Program Administrator* shall coordinate with the *Commission* staff its efforts to attract and/or use funding from other sources for *Focus on Energy* projects, program offerings, events, marketing materials or marketing campaigns.
- 3.5.2 The *Program Administrator* shall obtain *Commission* staff approval whenever joint funding of projects, events, marketing materials or campaigns is being proposed.

3.6 Reporting

- 3.6.1 The *Program Administrator* shall prepare and submit all required progress reports to the *Commission* by their due dates.
- 3.6.2 The *Program Administrator* shall cooperate with the *Commission* to respond to all requests for information on the *Focus on Energy Environmental and Economic Research and Development Program* from the public, the Legislature, the Governor's office and other interested parties.

3.6.3 The *Program Administrator* shall assist the *Commission* with writing and compiling various reports required under 2005 Wis. Act 141, including:

3.6.3.1 An annual report on the expenses incurred by the *Commission*, utilities, and the *Program Administrator* for implementation the *Focus on Energy Environmental and Economic Research and Development Program*.

3.6.4 The *Program Administrator* shall conduct an annual inventory of each non-expendable item and equipment directly funded by this contract that costs \$1,000 or more, and maintain appropriate records and documentation.

3.7 Deliverables

3.7.1 The *Program Administrator* shall submit the following deliverables to the *Commission* by the stated completion date.

Deliverables	Completion Date
1. Submit to the <i>Commission</i> staff monthly activity reports.	Monthly
2. Submit to the <i>Commission</i> staff consolidated invoices for monthly expenses to be paid by the <i>Fiscal Agent</i> .	Monthly
3. Host <i>Program Administrator</i> and <i>Commission</i> conference calls and meetings.	Monthly
4. Submit documents and records to the <i>Commission</i> staff which are generated by the RFP process.	Within 30 days after a RFP process is completed
5. Submit to the <i>Commission</i> staff draft standardized language for <i>Research Portfolio</i> Grants or Contracts necessary to extend ongoing projects and inform the <i>Commission</i> of any subsequent changes to such language in any Grant or Contract.	Prior to execution of <i>Research Portfolio</i> Grant or Contract extensions
6. Submit to the <i>Commission</i> staff draft standardized language for new <i>Research Portfolio</i> Grant or Contract agreements and inform the <i>Commission</i> of any subsequent changes to such language prior to execution in any Grants or Contracts.	Prior to execution of Grants or Contracts
7. Writing and compiling the reports referenced under Section 3.6.3	Annually or biennially as specified
8. Submit to the <i>Commission</i> finalized Grants or Contracts and amendments.	Within 60 days of signed contract
9. Submit to the <i>Commission</i> staff a spreadsheet summarizing research projects for the contract period as well as research which continues to be funded from past periods.	Monthly
10. Update the <i>Focus on Energy</i> Web site related to the <i>Environmental and Economic Research and Development Program</i> .	Ongoing
11. Develop outreach materials for general distribution that outline	Ongoing

Deliverables	Completion Date
research projects in progress.	
12. Post each approved research report on the Web site.	60 days after the approval of a final research report
13. Develop an outreach and communication plan for disseminating project results.	February 15, annually
14. Submit a detailed budget for the <i>Research Portfolio</i> to be reviewed and approved by the <i>Contract Administrator</i> and <i>Commission staff</i> .	Within 40 days after contract signing
15. Submit a detailed plan for the <i>Research Portfolio</i> to be reviewed and approved by the <i>Contract Administrator</i> and <i>Commission staff</i> .	Within 60 days after contract signing

ATTACHMENT D

COMPENSATION, PAYMENT AND PERFORMANCE PROVISIONS

May 9, 2011 – December 31, 2014

The *Contract Administrator* shall compensate the *Program Administrator* for satisfactory performance of this *Agreement* as follows:

1. Total Payments

The maximum amount to be paid by the *Contract Administrator* under this *Agreement* consists of \$633,459,342 for eligible administrative and program costs and expenses, of which not more than \$41,705,934 shall constitute the Professional Fee for satisfactory performance of the Work. This compensation includes: \$602,266,576 for *Focus on Energy* programs and \$31,192,766 for *WPS Stipulation* programs. The compensation is for eligible costs for Work described in the *Mass Markets* and *WPS Stipulation* Scope of Work and Budget (Attachment A), the *Targeted Markets* Scope of Work and Budget (Attachment B) and the *Research Portfolio* Scope of Work and Budget (Attachment C). For the period of May 9, 2011 through December 31, 2014, it is agreed that the *Program Administrator* will manage the individual *Targeted Market*, *Mass Market*, *WPS Stipulation*, and *Research Portfolio* budgets for this *Agreement* as a 44 month budget and the *Program Administrator* shall not actually be paid more than the total *Focus on Energy* funds available for any given year. The individual *Targeted Market*, *Mass Market*, *WPS Stipulation* and *Research Portfolio* budgets for 2011 are as set forth herein below. The individual *Targeted Market*, *Mass Market*, *WPS Stipulation* and *Research Portfolio* budgets shall be proposed to the *Commission* by the *Program Administrator* no later than November 1 of the year prior to the year the budget will be in effect. Absent written approval of the *Commission* of the new proposed targets by December 1 of the year prior to the year the budget will be in effect and the existing targets will remain in effect for the subsequent year.

Any *Focus on Energy* funds not expended during one calendar year may be carried over to the subsequent program period which begins on January 1 of the following year.

2. Eligible Time, Materials, and Expenses

The *Program Administrator* shall be compensated for reasonable and appropriate services provided and expenses incurred in order to perform the Work. This is a cost-reimbursable contract. Allowable and non-allowable costs shall be as set forth in the *Policy and Procedures Manual*, which shall be modified from time to time.

Work will be performed on a time and materials basis, with compensation due for all goods and services provided by the *Program Administrator*, computed in accord with currently-in-effect *Program Administrator* rates for Time & Material work. *Program Administrator's* applicable rate schedule for the services will be provided to the *Commission* for approval. Contract amounts for the *Program Administrator* budget are detailed below in *Focus on Energy* – Table 1 and *WPS Stipulation* Table 2. Any

modifications to the budget shall be submitted by November 1 to take effect at the beginning of the next program year and be subject to the *Contract Administrator's* review and approval.

Other compensation provisions are as follows: Invoices for *Work* will be submitted by *Program Administrator* no more frequently than once per month, with payment due upon *Contract Administrator's* receipt of invoice. Invoices for Program Implementers no more frequently than once per month, with payment due upon *Contract Administrator's* receipt of invoice. Invoices for Service Providers no more frequently than once per month, with payment due upon *Contract Administrator's* receipt of invoice. Invoices for Customer Incentives may be submitted by *Program Administrator* weekly. Payment shall be in U.S. Dollars. *Contract Administrator* shall be responsible for payment (without deduction or offset from the total invoice amount) of any and all sales, use, value added, gross receipts, franchise and like taxes, and tariffs and duties, and all disposal fees and taxes, levied against *Program Administrator* or its employees by any government or taxing authority. A service charge equal to one and one-half percent (1½ %) per month, or the maximum rate permitted by law, whichever is less, will be added to all accounts which remain unpaid for more than thirty (30) calendar days beyond the date of the invoice. Should there be any dispute as to any portion of an invoice, the undisputed portion shall be promptly paid.

Program Administrator's allowable costs are as set forth in the *Policy and Procedures Manual*, and shall include: hourly rates of staff working directly on the *Work*; any and all out-of-pocket costs (e.g., telecommunications, travel, copying/printing, postage/delivery, marketing, equipment) directly attributable to performing the *Work*; travel reimbursement, any and all eligible subcontractor costs directly attributable to the *Work*; and other reasonable and appropriate costs that the *Program Administrator* incurs to accomplish the *Work* allowable under the *Policy and Procedures Manual*. Any and all out-of-pocket costs, travel reimbursement, any and all eligible subcontractor costs, and other reasonable and appropriate costs that the *Program Administrator* directly incurs to accomplish the *Work* allowable under the *Policy and Procedures Manual* will be invoiced according to Shaw's standard terms and conditions. Shaw will notify the *Contract Administrator* of any changes to the terms and conditions on an annual basis.

Should the *Compliance Agent* find that the *Program Administrator* has invoiced the *Focus on Energy* program for a non-reimbursable expense, the *Program Administrator* shall reimburse the Focus on Energy Program by a correction on the next invoice or submitting a check to the *Fiscal Agent*, made payable to the *Contract Administrator*.

Notwithstanding the above, all eligible costs, expenses and fees paid to the *Program Administrator* are subject to the Total Compensation limitation detailed in Paragraph 5 of the main body of this *Agreement*.

3. Not to Exceed Budget By Year

For the period of May 9, 2011 through December 31, 2014 compensation for *Work* are those identified below. Each of these budgets shall not be exceeded by the *Program Administrator* unless the *Program Administrator* is granted prior written approval from the *Contract Administrator* and the *Commission* to exceed these limits.

Focus on Energy – Table 1.

Time Period	Administration Budget	Program Opportunities	Implementation for Energy Efficiency & Renewables	EERD Program	Total
May 9, 2011 to December 31, 2011	\$5,226,658	\$2,000,000	\$43,064,918	\$1,975,000	\$52,226,576
January 1, 2012 to December 31, 2012	\$7,842,000	\$2,000,000	\$112,858,000	\$2,000,000	\$124,700,000
January 1, 2013 to December 31, 2013	\$11,286,000	\$3,000,000	\$171,814,000	\$2,000,000	\$188,100,000
January 1, 2014 to December 31, 2014	\$14,232,000	\$4,000,000	\$216,968,000	\$2,000,000	\$237,200,000
TOTAL	\$38,586,658	\$11,000,000	\$544,674,918	\$7,975,000	\$602,266,576

WPS Stipulation – Table 2.

Time Period	Administration Budget	Implementation for WPS Stipulation	Total
May 9, 2011 to December 31, 2011	\$1,279,031	\$11,511,283	\$12,790,314*
January 1, 2012 to December 31, 2012	\$1,837,745	\$16,539,707	\$18,377,452
January 1, 2013 to December 31, 2014	\$2,500	\$22,500	\$25,000
TOTAL	\$3,119,276	\$28,073,490	\$31,192,766

* Note: The budget for the 2011 WPS Stipulation reflects YTD expenditures through February 28, 2011.

Any unspent funds within a given year may be rolled into the subsequent year. The *Commission* and the *Contract Administrator*, with input from the *Program Administrator*, will determine how unspent dollars will be allocated.

The invoice format shall be established by the *Program Administrator* and approved by the *Commission* in no less than 15 days after the contract signing, for the period. Any modifications to this format shall be pre-approved by the *Commission*. The *Program Administrator* shall require that invoices to the *Program Administrator* from subcontractors or other third parties shall, at a minimum, conform to the *Program*

Administrator's invoice requirements stated above and to any format and requirements established by the *Commission*.

4. Invoice Review and Approval

The *Program Administrator* shall submit monthly invoices of eligible costs and expenses to the *Commission* for approval. The *Commission*, no later than (five) 5 business days after receipt of the invoice, will review the invoice and either approve the invoice for payment or inform the *Program Administrator* in writing of any disputed amount and the basis for such dispute. Any undisputed amounts shall be approved for payment by the *Commission*.

Unless notified of a different (or additional) address, as provided herein, the *Program Administrator* shall submit invoices electronically for review and approval to:

Greg Laubmeier, Budget and Policy Analyst
Focus on Energy Program
Public Service Commission
P.O. Box 7854
Madison, WI 53707-7854
greg.laubmeier@wisconsin.gov

If an invoice is disputed by the *Commission*, the *Program Administrator* shall answer the *Commission's* concerns in writing within five (5) business days of the receipt of written notice from the *Commission*. If the *Commission* and the *Program Administrator* cannot resolve the dispute within ten (10) working days after receipt of the *Program Administrator's* reply, the *Commission* and the *Program Administrator* shall attempt to resolve the dispute in a written request to the *Contract Administrator*. If the *Contract Administrator* and the *Program Administrator* cannot resolve the dispute within ten (10) working days after receipt of the written request, each party may pursue mediation to resolve invoice disputes.

5. Payment of Invoices

Approved invoices will be forward by the *Commission* to the *Fiscal Agent* for payment. Disbursements for monthly invoices will be made by the *Fiscal Agent* on the 10th day and the 28th day of each month.

The *Program Administrator* shall develop an invoice submittal timeline that takes into account the dates of disbursement (10th and 28th of each month), the 5 business days required by the *Commission* and the 2 business days required by the *Fiscal Agent* to complete an electronic funds transfer or cut checks.

6. Fund-Shifting Within the Mass Market and Targeted Market Portfolios

The *Program Administrator* may move *Focus on Energy* program funds within the budget categories of the *Mass Market Portfolio* and *Targeted Market Portfolio*. Funding shifts of amounts greater than \$250,000 per adjustment require prior written approval from the *Commission*. The *Program Administrator* shall summarize all budget

adjustments, regardless of dollar amount, on the budget spreadsheets when submitting an invoice. Invoices will not be processed if the summary of budget changes is not submitted with the invoice. Invoices may reflect costs that exceed a budget category by up to 10% of budget for that category, provided the total contract budget is not exceeded.

7. Request for Carryover of Funds

On or before November 1, of each program year, the *Program Administrator* shall inform the *Commission* of the estimated amount of unspent dollars as of December 31, of that program year. The *Commission* and the *Contract Administrator* will determine how unspent dollars will be allocated in the following program period.

8. Reliance by the *Commission* on Representations

All payments by the *Fiscal Agent* under this *Agreement* will be made in reliance upon the accuracy of all prior representations by the *Program Administrator*, including but not limited to bills, invoices, progress reports and other proofs of work.

9. Suspension of Payment to the *Program Administrator*

In addition to other remedies, the *Contract Administrator* reserves the right to suspend all payments to the *Program Administrator* if required reports are not provided to the *Commission* or its designated representatives on a timely basis; if there are continuing deficiencies in the *Program Administrator's* reporting, record keeping or invoicing responsibilities and requirements; or if the performance of the *Work* is not adequately evidenced.

10. Encumbrance Amounts

The *Program Administrator* may encumber/obligate approximately 50% above the current year's incentive budget in order to maintain a full project pipeline. Should the *Program Administrator* reach 40% of the current year's incentive budget it shall notify *Commission* staff to discuss options on how to proceed. In addition to the 50% guideline, the *Program Administrator* shall conduct a monthly review of obligations to determine if certain long-term projects are going forward or if the dollars should be deobligated. The *Program Administrator* shall submit a monthly report on the obligations to *Commission* staff for review.

ATTACHMENT E
Annual Targets and Goals
May 9, 2011 through December 31, 2014

1. **Statewide Focus on Energy Program.** The *Program Administrator* shall be held to four-year verified gross lifecycle installed energy savings goals, to be approved by *Commission* staff at a future date (See 5. Deliverables). Tables 1 and 2 show the *Commission* approved percentage of electric load, peak demand and natural gas load reductions. Table 1 shows the annual net targets and four-year goals in kWh, MW and therms. Table 2 shows the annual verified gross targets and four-year goals in kWh, MW and therms. In the Quadrennial Planning Process, the *Commission* determined that the contractual goals shall be based on annual verified gross targets and verified gross four-year goals. Actual energy savings for each program may vary and be shifted between programs based on market results and opportunities, and need to achieve the four-year goals listed in the Table 2.

Table 1

Year	Commission Approved Annual Net Targets and Four-year Goals*				
	Percentage of Electric Load and Peak Demand	In millions of kWh	In MW	Percentage of Natural Gas Load	In millions of therms
2011	0.75%	524	90	0.50%	18
2012	1.00%	705	122	0.75%	27
2013	1.25%	890	155	1.00%	35
2014	1.50%	1,079	189	1.00%	35
Four-year Goals	-	3,197	556	-	115

*Targets and four-year goals approved by the *Commission* are on a first-year verified net basis.

Table 2

Year	Annual Verified Gross Targets and Four-year Goals*				
	Percentage of Electric Load and Peak Demand	In millions of kWh	In MW	Percentage of Natural Gas Load	In millions of therms
2011	0.75%	624	107	0.50%	21
2012	1.00%	839	145	0.75%	32
2013	1.25%	1060	184	1.00%	43
2014	1.50%	1,285	225	1.00%	43
Four-year Goals	-	3,808	662	-	139

*Targets and four-year goals are on a first-year verified gross basis

The above goals are based on the following annual budget allocation: \$120 million in 2011, \$160 million in 2012, \$206 million in 2013, and \$256 million in 2014. Should the budget be reduced by the legislature, the *Commission* will have to revisit its decisions on targets and goals made during the Quadrennial Planning Process.

The above goals also assume that the *Program Administrator* for January through April 2011, the Wisconsin Energy Conservation Corporation (WECC), achieved goals proportionate to their budget allocation from January through April 2011, based on the annual gross target for 2011 listed in Table 2 above. Should WECC not achieve the first-year verified gross goals proportionate to its budget allocation from January through April 2011, the 2011 first year verified gross goals and four-year verified gross goals shall be reduced accordingly, and reviewed and approved by *Commission* staff.

2. **WPS Stipulation Program.** The *Program Administrator* shall meet the total installed energy savings goals to be approved by the *Commission* at a future date (See 5. Deliverables). These energy savings goals are based on verified gross lifecycle installed energy savings per technology or service as determined by the *Evaluator* and agreed to by the *Commission*.
3. **Assumptions.** Targets and goals are based on technology and/or end-use energy savings assumptions. The *Program Administrator* and the *Commission* will agree to these assumptions for this contract period. The *Evaluator* will develop the deemed energy-savings table, to be reviewed by the *Commission* and the *Program Administrator*. The *Program Administrator*, the *Commission*, or the *Evaluator* may request modifications to these assumptions throughout the contract period. The *Program Administrator*, in consultation with the *Commission* and the *Evaluator*, shall develop a process for values to be changed on no more than an annual basis to either the deemed energy savings table, the net-to-gross ratios, and other input assumptions to the cost-effectiveness calculator. All changes to any values shall be made on a prospective basis only, and shall not be applied retroactively for the purposes of determining savings or cost-effectiveness. At the end of the contract period, final contract goal achievement will be determined by the *Evaluator*, based on verified gross lifecycle energy savings.
4. **Net energy savings.** Net energy savings and program costs, as verified by the *Evaluator*, will be used to determine contractual cost-effectiveness achievement at the program and portfolio levels for the contract period. The portfolio must pass the modified Total Resource Cost test, as specified in docket 5-GF-191.
5. **Deliverables**
The *Program Administrator* shall submit the following deliverables to the *Commission* by the stated completion date.

Deliverables	Completion Date
1. Statewide <i>Focus on Energy</i> Program: Lifecycle verified gross energy savings targets and goals for the four-year period, specified by portfolio area.	Within 30 days of contract approval by the <i>Commission</i>
2. <i>WPS Stipulation</i> Program: Lifecycle verified gross energy savings goals for 2011 and 2012.	Within 30 days of contract approval by the <i>Commission</i>